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FIFTIETH SESSION

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SECOND COMMITTEE
12th meeting
held on
Wednesday, 18 October 1995
at 10 a.m.
New York

SUMMARY RECORD OF THE 12th MEETING

Chairman: Mr. PETRESKI (the former Yugoslav Republic of Macedonia)

CONTENTS

AGENDA ITEM 94: MACROECONOMIC POLICY QUESTIONS (continued)

(a) FINANCING OF DEVELOPMENT

(b) LONG-TERM TRENDS IN SOCIAL AND ECONOMIC DEVELOPMENT

(c) EXTERNAL DEBT CRISIS AND DEVELOPMENT

ORGANIZATION OF WORK

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26 October 1995

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The meeting was called to order at 10.15 a.m.

AGENDA ITEM 94: MACROECONOMIC POLICY QUESTIONS (continued) (A/50/91, A/50/254-S/1995/501, A/50/407, A/50/475)

(a) FINANCING OF DEVELOPMENT (A/50/397)

(b) LONG-TERM TRENDS IN SOCIAL AND ECONOMIC DEVELOPMENT (A/50/429)

(c) EXTERNAL DEBT CRISIS AND DEVELOPMENT (A/50/379)

1. Mr. KIM YONG (Democratic People's Republic of Korea) said that the persistent debt crisis made it increasingly difficult for developing countries to save financial resources for development at the national level. Moreover, the overall amount of foreign aid and development funds of the United Nations had continuously decreased, while at the same time there was a growing tendency for resources to be diverted to non-development purposes. In his view the issue of development financing should be debated in conjunction with the issue of external debt. Mobilization of financial resources for developing countries, particularly the least developed countries, depended to a large extent on whether a comprehensive, lasting, development-oriented solution to their debt problem could be found.

2. At the same time, the developed countries needed to implement their official development assistance (ODA) commitment at an early date and take more responsibility particularly for increasing financial resources for operational activities for development within the United Nations system. Steps should be taken at the national, regional and international levels to earmark new sources of funding for development. Member States should pay close attention to the proposed international conference on the financing of development, aimed at resolving the issue of financial resources for development together with the issue of the external debt.

3. Mrs. HOHANOVSKA (Ukraine) said her delegation was pleased that the report of the Secretary-General (A/50/429) had taken into account the problems of countries making the transition from a centrally planned to a market economy, indicating a growing awareness among the international community of the global nature of the problem of integrating those countries into the world economy. It was regrettable, however, that the conclusions of the report did not contain an adequate assessment of the impact of a successful resolution to that problem on the development of the world economy.

4. The report expressed concern at insufficient progress in the transition towards a market economy, but the situation in the States of the former Soviet Union could not be compared with that in other former Communist States. Ukraine was experiencing difficulty in finding resources to deal with the ongoing consequences of the Chernobyl disaster, the removal of nuclear weapons from its territory and the major expenditures related to United Nations sanctions against the former Yugoslavia.

5. In addition to efforts by the countries themselves, a successful transition and integration into the world economy required broad international support. Ukraine fully supported the sections of the report calling for major investment and transfer of technology to those countries. Since its economic reforms had taken effect one year earlier, Ukraine had made substantial progress, and the Government had just reaffirmed macroeconomic stabilization as one of its priorities. The seven major industrialized countries and other international monetary and financial organizations had allocated nearly US$ 4 billion in support of Ukraine's efforts; however, total foreign investment needs were calculated at close to US$ 40 billion.

6. With regard to development financing, the highest priority must be the search for and use of such non-traditional sources of financing as reductions in the armed forces, weapons of mass destruction and nuclear weapons. The United Nations and the Bretton Woods institutions must play an important role in establishing new mechanisms to alleviate the debt burden and coordinate country programmes with the financial assistance programmes of both bilateral and multilateral donors.

7. Mr. TIENDERBEOGO (Burkina Faso) said that the primary concern of developing countries was not so much whether there were adequate sources of savings for development but rather how to overcome the numerous hurdles blocking access to those funds. Some had tried to demonstrate, through statistical and theoretical wizardry, that a measure of recovery had been recorded and would lead to a sufficient mobilization of savings for investment, from which the developing countries would also benefit. In reality, most developing countries, and the African ones in particular, were recording weak levels of savings and increasingly low investment rates at a time when their demand for capital was growing. Countries with extremely fragile economies were in no position to generate domestic savings. Admittedly, the effective channelling of savings into investment depended on factors such as structural adjustment and restoring confidence among investors. In Burkina Faso, a portion of domestic savings had been channelled towards the production sectors through full or partial privatization of some public enterprises, insurance companies, and banks; at the same time, political stability, efficient governance and the development of a new, more flexible and attractive investment code had also opened up prospects for attracting investors. Despite those efforts, the country still awaited additional resources for development. Burkina Faso continued to hope that, in response to the vigorous and very painful reforms, mainly affecting the poorest sectors of the population, investors would have sufficient confidence to make long-term investments and would follow the example of Denmark, the Netherlands, Norway and Sweden in supplying ODA.

8. With respect to the debt crisis and its impact on development, he affirmed that as a sub-Saharan African country, and, moreover, one of the least developed countries Burkina Faso took a keen interest in any consultations or initiative aimed at finding a solution to that crisis. While giving credit to those creditors who had agreed to cancel or reschedule the debts of some countries, he pointed out that many developing countries, in particular the least developed among them, still recorded an extremely high level of indebtedness. At the end of 1993, the debt of the least developed countries stood at US$ 127 billion, compared with US$ 117 billion at the end of 1990. Sub-Saharan Africa, as a

whole, was faced with an increasingly high level of debt which was increasingly difficult to reschedule. In the countries members of the West African Economic and Monetary Union, the devaluation of the CFA franc in February 1994 had worsened the situation by reducing the dollar value of GNP in those countries.

9. A number of debtor countries had signed agreements and taken drastic steps to restructure their economies. Those agreements included a section on measures to reduce their outstanding debt and debt-servicing burden. However, in many cases, the debt relief granted in response to those efforts had been insufficient to bring their repayment obligations into line with their capacity to pay. The conditions in which the arrangements were made and implemented were highly unfavourable. Even the least developed countries, including Burkina Faso, had been unable to obtain a radical response to their debt crisis, as indicated by the lukewarm results of the recent High-level Intergovernmental Meeting on the Mid-term Global Review of the Implementation of the Programme of Action for the Least Developed Countries for the 1990s.

10. With their capacity to invest in new production completely wiped out, developing countries were in an increasingly marginalized position in a climate marked by globalization of the world economy. Since globalization implied solidarity and interdependence, finding a solution to the debt problem was in the interest not only of the indebted countries themselves, but of creditors and international community as a whole. He reaffirmed his conviction that only a radical global solution would bring an end to the crisis.

11. Mr. ZIAUDDIN (Bangladesh) deplored the apathy of the international community in dealing with the debt crisis, which continued unabated, forcing developing countries to reduce investment in vital social sectors. Investment in productive capacity in developing countries should form a key element in any debt-reduction strategy and would require an integrated approach involving Governments and commercial and multilateral institutions. At the end of 1993, total debt stock of the least developed countries stood at $127 billion, or approximately 76 per cent of their combined GDP. Multilateral debts represented about 36 per cent of the total debt of the poorest countries, compared with 27 per cent in 1984. The corresponding share in total debt service during the period had increased from less than 30 per cent to almost 50 per cent. The Secretary-General's report had attempted to highlight the debt situation of different countries and groups of countries but had failed to analyse the debt problem of the least developed countries. Bangladesh alone accounted for 10.7 per cent of the total debt of the least developed countries. Its debt-to-GDP ratio was 55 per cent. In 1993-1994, its total debt service payment represented 20.2 per cent of its exports. Whereas per capita income was as low as US$ 200, per capita debt obligation had increased from US$ 6.59 in 1973-1974 to US$ 133 in 1993-1994.

12. A substantial reduction of the least developed countries' debt burden would require more vigorous measures by the international community, including: reinforcing Paris Club measures by enlarging the number of beneficiaries and covering a larger amount of outstanding debt with a view to ensuring full cancellation of all the official bilateral debts of the least developed countries; new and innovative initiatives by multilateral institutions, in particular debt cancellation to address the issue of the unsustainable debt

burden arising out of their lending operations; and using the debt reduction facility to substantially reduce the commercial bank debt, supplemented by other debt buy-back and debt conversion schemes.

13. In the absence of private capital flows and sufficient domestic savings and investment, many of the least developed countries were still overwhelmingly dependent on ODA flows. Despite efforts to mobilize domestic resources and implement macroeconomic adjustments and reforms, foreign direct investment had not materialized for many developing countries, particularly the least developed countries and most of the African countries. He said that the international community had a moral imperative to respect earlier commitments, and urged the development partners to rise to the occasion to ensure better integration of the developing countries in an increasingly interdependent world.

14. Mr. AGONA (Uganda) said that, at the end of December 1994, Uganda's debt stock had been $US 3.15 billion, or $150 million more than in the previous year, and represented more than 60 per cent of its GDP. The percentage owed to multilateral creditors remained at about 75 per cent. Bilateral creditors accounted for only a quarter of total debt, and the bulk of that was owed to non-Paris Club official creditors. Earlier in 1995, Uganda had become the first country to benefit from the Naples terms, meaning that, in theory, Uganda would no longer request further restructuring. Nevertheless, it continued to face severe debt-servicing problems. Since the Paris Club accounted for less than a quarter of Uganda's external debts, the effective debt stock reduction under the Naples terms amounted to only 26 per cent. Moreover, the relief granted could easily be absorbed in meeting the debt obligations towards other creditors.

15. In 1994, Uganda had advocated a once-for-all development-oriented debt strategy designed to cover all types of debts and incorporating measures to boost economic growth and development. It had endorsed fully the solutions proposed by the non-aligned movement's ad hoc panel on debt and development, which had been adopted at a non-aligned ministerial meeting in Jakarta in August 1994. Having reviewed some of the main assertions contained in the Secretary-General's report (A/50/379), which underscored the inadequacy of actions taken so far, he reiterated his support for the following steps: (i) enhancing the scope and accessibility of the Naples terms and encouraging non-Paris Club creditors to apply similar terms; (ii) improving the quality of loans to facilitate debt service sustainability; (iii) for the poorest countries, extending debt forgiveness and reduction to cover commercial and multilateral debts; (iv) ensuring that the World Bank and IMF come up, as soon as possible, with initiatives on multilateral debt, to include softening the financing of terms of IMF loans; and establishing new mechanisms to deal with existing multilateral debt stocks. An enhanced version of the proposal put forward by the United Kingdom in 1994 would be appropriate in that regard.

16. For the countries of sub-Saharan Africa, ODA remained the major external source of development financing and the only way of avoiding the perpetual debt trap. Uganda was tightening its own fiscal management to generate domestic resources through increased savings. It was also reforming its monetary and financial services sectors. Liberalization and privatization measures had been undertaken to attract investment. Nevertheless, private capital continued largely to bypass the entire African continent. Uganda intended to continue to

work with its bilateral and multilateral development partners on innovative ways of mobilizing private productive capital and, to that end, had taken a number of domestic administrative and policy measures.

17. In conclusion, he reaffirmed his country's commitment to economic and structural reforms. Such reforms could only succeed, however, if complemented by appropriate external measures in the areas of trade, debt forgiveness, resource flows and transfer of technology.

18. Mr. KAID (Yemen), after endorsing the statement made by the representative of the Philippines on behalf of the Group of 77, said that the developed countries should increase aid to the developing countries with a view to alleviating the threat posed by hunger and poverty. It was also essential to revive the North-South dialogue and renew the call for the convening of an international conference on the financing of development. Bearing in mind that the debt burden of the developing countries impeded their future development and economic recovery, the international community should employ special mechanisms to reduce the debts in question, as well as debt servicing, in which connection the Paris Club should be more accommodating. Resources allocated to weapons of mass destruction should also be redeployed for development purposes.

19. In Yemen, where privatization was now an emerging trend, the private sector was participating in the development process, for which the country's democratization had laid a solid foundation. The ambitious five-year development plan now being formulated would focus on completing the infrastructure and devoting attention to national industries. In that context, United Nations support was required to help the country overcome the crisis under way since the Persian Gulf war for various reasons, including the fact that it no longer received the aid and remittances that had earlier assisted its economic recovery. Moreover, the endeavours of the separatist outlaws in Yemen had adversely affected the infrastructure, damaged the economy and thwarted development. Funding to rebuild the devastation caused by the war was therefore an urgent requirement. In conclusion, he noted the help provided to Yemen by United Nations organizations and hoped that such support for development would continue.

20. Mr. YANGE (Zaire) said that the debt overhang of the developing countries, in particular the least developed among them, posed a major obstacle to their development and made economic adjustment measures risky. With regard to public and private bilateral debt, his delegation believed that although the conditions for debt rescheduling and forgiveness negotiated in the Paris and London Clubs at first appeared acceptable, they would prove very restrictive in the long term unless preferential terms were agreed upon. Debt rescheduling or forgiveness was not an option in the case of multilateral debt, and failure by a debtor to meet its obligations might even result in the suspension of facilities granted by the Bretton Woods institutions.

21. With regard to debts contracted between developing countries, it was regrettable that the international community had not taken steps to help the most severely indebted nations find even palliative solutions to their serious debt problems. It would be very difficult for the least developed countries to repay one another one day through small development projects, given the

precariousness of their current economic situation. His delegation hoped that the United Nations, together with certain creditor countries, would provide some relief for countries emerging from situations engendered by their efforts to shed the legacies of colonialism.

22. The fact that debtor countries, very appropriately, did honour most of their commitments was the major feature of international financial flows from South to North. The problem was compounded by the substantial decrease in ODA, with the result that the developing countries remained hostages of poverty because they did not have the funds needed to implement social and economic development projects. Protectionism in trade and conditionality in the granting of development assistance were a serious threat to efforts to eliminate poverty throughout the world. Such efforts would prove successful only if they were accompanied by sufficient development financing and a strong sense of solidarity among nations.

23. He underscored the severe crisis which African countries were experiencing, owing to their longstanding heavy debt burden, the decline in the prices of their export commodities and the deterioration in their terms of trade. Their debt burden absorbed more than one third of their export earnings.

24. Zaire's transition to democracy during the past five years had proved devastating to its economy. Its development had been severely impeded by the destruction of the industrial infrastructure, a lack of bilateral and multilateral support and the fact that nearly two thirds of its working population was unemployed. Accordingly, it did not have the resources needed to finance its external debt.

25. In view of the interdependence of national economies, the continuing debt crisis posed a threat to Western economies and could engender monetary instability. The United Nations should do its utmost to facilitate arrangements with the Bretton Woods institutions that would alleviate the multilateral debt burden of the developing countries, in particular, the least developed among them. Such an approach was feasible, since the major contributors to those institutions were also the major creditors of the developing countries. The Ad-Hoc Open-ended Working Group of the General Assembly on an Agenda for Development should take the need for such arrangements into account in its final document to be submitted to the General Assembly.

26. Rescheduling in the case of bilateral debt provided only a reprieve. Given the current economic situation, it was to be hoped that it would prove possible to cancel the debt of countries with debt overhang. The resources thus saved could be used to rebuild the productive capacity of those countries. Such a partnership would foster a balanced sharing of markets which would prove beneficial to all. Another step that could be taken would be to make the various arrangements for debt reduction more uniform.

27. Mr. OKANIWA (Japan), referring to document A/50/429 on long-term trends in social and economic development, said that it was encouraging to note that almost every country was seeking the appropriate way to adapt its economy to global competition (para. 30). His delegation agreed with many of the observations in the report. The paths to success in maintaining their growth

rate for most developing economies in Asia listed in paragraph 33 also applied to all other countries, including the developed countries. The developing countries also should pursue policies to establish a market-oriented financial sector based on a stable legal framework and appropriate regulatory and supervisory systems.

28. His country had provided technical training in financial and budgetary policy to young civil servants from developing countries, primarily Asian nations, and it was seeking through exchanges among those trainees to form an international network. He described a number of initiatives undertaken by his country to promote cooperation between Asian and African countries on such matters as macroeconomic policies and financial intermediation.

29. With regard to trade, he said that the open multilateral trading system offered opportunities for the expansion of trade and for the sustained economic growth of developing and developed countries alike. As to the possible adverse effects on the least developed countries of World Trade Organization (WTO) agreements, his delegation agreed with the report that their implementation should improve the efficiency of the world economy and that most of the economies in the world would benefit from multilateral trade liberalization (para. 81). His delegation also agreed that national policies to reduce domestic economic distortions could enhance the gains from trade liberalization and outweigh any short-term negative effects (para. 82). His country had played an active part in promoting regional cooperation through the forum of Asia-Pacific Economic Cooperation (APEC) and looked forward to the achievement of free and open trade and investment in the region by the year 2020.

30. Turning to the report on the sources of finance for development at mid-decade (A/50/397), he noted that the marked increases in private resource flows to Asia and Latin America, which had far exceeded official flows, reflected successful economic reforms and strengthened political confidence in those regions. The influx of private resources to developing countries in the forms of foreign direct investment, equity investment and bank or bond lending was fostering the revitalization and diversification of their economic activities and thereby their integration into the world economy. However, the expansion and integration of financial markets had created a new systemic risk that sudden, large-scale capital movements might have an immediate and contagious effect on other markets. Sound macroeconomic policy was required to prevent such crises, complemented by enhanced IMF surveillance. The establishment of the Fund's emergency financing mechanism would be crucial in coping with such crises if they did occur.

31. ODA would continue to play an important role in countries which could not yet attract adequate private resources. Although the aggregate world level of ODA had fallen in 1993 and had remained constant in 1994, his country had consistently expanded its ODA. He underscored the need for donors to make a sustained effort in that regard in the interests of ensuring the sustainable development of the entire world.

32. Mr. SURIE (India), commenting on the report on the sources of finance for development at mid-decade (A/50/397), said that although savings appeared to be adequate at the global level, the more effective allocation of those savings to

finance development must be encouraged, and measures were needed to curb disruptions in exchange and capital markets caused by the volatility of private flows. The international financial institutions should consider the establishment of international safety nets to protect the integrity of development programmes in the face of sudden outflows of private capital. His delegation welcomed the proposal to establish an emergency financing mechanism within IMF and believed that the mechanism should be strengthened.

33. IMF resources must also be substantially enhanced. The issue relating to the fresh allocation of special drawing rights remained unresolved. No concrete results had emerged regarding the early activation of the General Arrangements to Borrow to augment the resources of the Fund. The political will required to find credible cooperative solutions to cope with the uncertainties of the global economic environment appeared to be lacking.

34. Surveillance by IMF also should be strengthened more symmetrically, placing greater emphasis on surveillance of the engines of growth. Since developing and developed countries did not have the same impact on the global system, the same data requirements could not be uniformly applied to all countries.

35. It was also necessary to pay greater attention to weaknesses in industrialized economies, especially their large fiscal deficits and high levels of structural unemployment.

36. The Committee should send a clear, strong message regarding the need for enhanced ODA, in particular to meet the commitments undertaken in recent world conferences. While it was true that proper allocation of resources and of priorities was important, the fact was that a substantial increase in external resource flows was essential to support programmes of poverty eradication, social development and sustainable development.

37. Turning to the report on the developing country debt situation as of mid-1995 (A/50/379), he said that it was necessary to strive for an early, durable and comprehensive across-the-board solution to the debt crisis rather than continue to apply a case-by-case approach. An overall international debt strategy must incorporate measures including debt reduction, rescheduling and increased financial flows for low-income and severely indebted countries. Measures should be devised to assist not only those countries in arrears in their debt payments, but also those which had continued to meet their obligations at considerable cost to their economies, as well as countries coping with widespread poverty.

38. His own country had begun a few years earlier to alter its debt structure by pursuing medium- and long-term financing in lieu of short-term capital. It had placed a notional cap on external commercial borrowings in order to maintain a variable maturity profile. Borrowings had been diverted to basic industries with a potential for foreign exchange savings or earnings. It had also embarked on a far-reaching programme of macroeconomic stabilization and structural reform, including the adoption of a new foreign investment policy and ratification of the Convention establishing the Multilateral Investment Guarantee Agency.

39. In conclusion, he emphasized that the only viable long-term solution to the debt crisis was a rapid and sustained expansion of bilateral and multilateral credits on concessional terms.

40. MR. FLORENCIO (Brazil) said that the report of the Secretary-General on the sources of finance for development at mid-decade (A/50/397) correctly stressed that financing of development must be examined in the new context of the world economy where international private capital flows to some developing countries had significantly increased. Such private flows were playing a key role in development financing, but could also have potentially disruptive effects on the international financial system. Market-oriented strategies in the financial sector must be combined with measures limiting reliance on highly volatile financing.

41. As for the role of international policy, the more globalized the world economy became, the greater priority should be given to cooperation for a stable international economic environment conducive to economic growth. No single model for financial sector development could be imposed on all countries. Cooperation aimed at ensuring greater access to international finance was crucial. IMF could play a central role through improved surveillance of economic policies. Traditionally, such surveillance had been applied almost without exception to developing economies only, but greater balance in that area was needed for the health of the world financial system. ODA remained a central element in any international effort in development financing, as many of the least developed countries, especially in Africa, had not benefited from private capital flows.

42. The external debt crisis was a cause of concern for all, and the negative effect of lack of access to international credit reduced the capacity of Governments to promote economic growth and channel resources towards the social sector. Failure to improve the debt situation of developing countries would have serious effects on the ability to fulfil commitments adopted at the major international conferences, from Rio to Beijing. Brazil supported the call for more comprehensive application of debt relief measures and endorsed the view that expansion of the resources available to the IMF General Arrangements to Borrow would be a positive step in restoring the confidence of heavily indebted countries. Structural adjustment policies should also take into account development goals and not exclusively short-term monetary and fiscal targets. The growing perception that the issue of external debt was a concern for both developed and developing countries was a sign of progress.

43. Mr. AWESSO (Togo) said that the debt crisis in sub-Saharan Africa and in the least developed countries had reached monumental proportions. In Togo, external debt had more than doubled in the space of four years. Despite all the efforts of the international community, particularly the Paris Club and development partners such as France, Germany, Japan, the United States of America, Denmark and Canada, to alleviate the debt burden and cancel part of the bilateral official debt, the least developed countries continued to experience a falling standard of living. It was clear from the Secretary-General's report (A/50/379) that, unless the international community assumed its responsibility in that area, the developing countries would not experience any economic growth or improvement in standards of living.

44. Therefore, his delegation urged the adoption of innovative global measures to resolve the debt problem aimed at the total cancellation of debt contracted on concessional terms and rescheduled with the Paris Club and a reduction in multilateral debt, including buy-backs with the proceeds of the sale of IMF gold reserves.

45. The international community must implement the relevant provisions of General Assembly resolution 49/94. The General Assembly had called upon the donor countries and multilateral financial institutions, within their prerogatives, to consider appropriate new measures for substantially alleviating the debt burden of low-income countries, and his delegation hoped that the appeal would be heard so that an adequate, equitable and durable solution to the debt crisis could be found.

46. Mr. AZAIEZ (Tunisia) said that finding a solution to the external debt crisis was a prerequisite to any reconstruction efforts and plans for sustainable expansion of the developing countries' economies. Changes in the world political situation in recent years had yielded some benefits but had raised new challenges to developing countries to adapt their economies to the new financial, trade and technological conditions. His delegation was pleased to note that some developing countries in Asia and Latin America had succeeded in alleviating their debt burden; the same could not be said, however, for most of Africa. Even the most rigorous and effective programmes of domestic economic stabilization and structural adjustment would leave those countries with serious obstacles to moving to a sustained and sustainable development path. Accordingly, his Government had called for "debt-for-development swaps" in many international forums. Although cancellation of debt for the poorest countries was an important gesture, the proposal to redirect the debt service of low- or middle-income countries into environmental and development projects would be an ideal way to stimulate development.

ORGANIZATION OF WORK

47. Mr. PAPADATOS (Greece) recalled that the Committee had been informed that it must defer consideration of agenda item 96 (f), "International Decade for Natural Disaster Reduction," due to lack of documentation. In accordance with the provisions of resolution 48/162 on the revitalization of the United Nations in the economic, social and related fields, which was up for review at the current session, the programme of work should be changed only in extreme circumstances. If a report was not available, the representative of the Secretary-General was required to give an explanation. The Bureau should take up the question of responsibility and accountability for Committee documentation and report its findings to members.

48. Mr. CABACTULAN (Philippines), speaking on behalf of the Group of 77 and China, said that, after consultations, an agreement had been reached regarding a slight regrouping of the clusters of sub-items for consideration under agenda items 95, 96 and 97. In addition, he informed members that the Group of 77 had recommended to the General Assembly that a new sub-item entitled "Food and agricultural development" should be included under agenda item 95. That new item would provide an opportunity for the Committee to focus on the forthcoming World Food Summit. Its consideration would not entail a prolonged debate, but

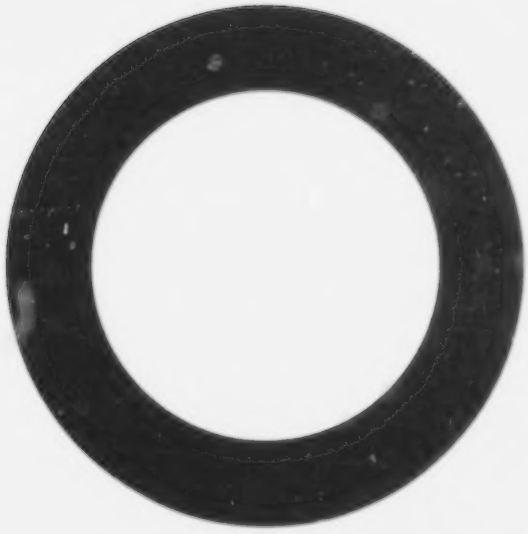
would allow the Committee to introduce a draft resolution in support of that conference.

49. The CHAIRMAN said that he would take it that the Committee agreed to change the organization of work accordingly.

50. It was so decided.

51. The CHAIRMAN requested the Secretariat to reissue the Committee's organization of work as document A/C.2/50/L.1/Rev.2 as soon as possible.

The meeting rose at 12.05 p.m.



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FIFTIETH SESSION

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SECOND COMMITTEE
13th meeting
held on
Wednesday, 18 October 1995
at 3 p.m.
New York

SUMMARY RECORD OF THE 13th MEETING

Chairman: Mr. PETRESKI (The former Yugoslav Republic of Macedonia)

CONTENTS

AGENDA ITEM 94: MACROECONOMIC POLICY QUESTIONS (continued)

(a) FINANCING OF DEVELOPMENT (continued)

(b) LONG-TERM TRENDS IN SOCIAL AND ECONOMIC DEVELOPMENT (continued)

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The meeting was called to order at 3.15 p.m.

AGENDA ITEM 94: MACROECONOMIC POLICY QUESTIONS (continued) (A/50/91; A/50/254-E/1995/581; A/50/407; A/50/475)

(a) FINANCING OF DEVELOPMENT (continued) (A/50/197)

(b) LONG-TERM TRENDS IN SOCIAL AND ECONOMIC DEVELOPMENT (continued) (A/50/429)

(c) EXTERNAL DEBT CRISIS AND DEVELOPMENT (continued) (A/50/379)

1. Mr. POERNOMO (Indonesia), pointed out that the Assembly had closely followed the external debt problem of developing countries since the crisis first shocked the financial world in the early 1980s. Despite various resolutions adopted by the Second Committee since then, including the consensus resolution adopted during the 49th session, the problem had worsened, and total outstanding debt was almost $3 billion. Therefore a more comprehensive application of debt relief measures had become necessary. The developing countries, especially the non-aligned countries, had recognized that no strategy for solving the debt problem could be successful unless the stock of debt itself and the inhibiting burden of debt servicing, along with the accumulated arrears, were addressed as a single package. A comprehensive approach should take into account all forms of debt, including multilateral debt, and all the debtor countries. Having recognized the weaknesses in international debt strategy, the non-aligned countries were trying to formulate a comprehensive, development-oriented, durable and equitable solution, which would include a "once and for all" approach to substantially reduce the total stock of debt, instead of focusing on various types of debt separately. Such a solution would have the effect of reactivating development and putting an end to the incessant rescheduling of debts. The least developed countries, especially those in Africa, would obviously require cancellation of their debt burden where possible in order to restore their capacity for development.

2. Debt relief was generally applied to bilateral debt, but multilateral debt, especially that of the least developed countries and Africa, should not be ignored. In that context, it was disappointing that the heads of the International Monetary Fund and the World Bank did not intend to present any major new multilateral debt relief proposal for the world's poorest countries until the spring of 1996. It was incomprehensible to his delegation that the Fund and the Bank refused to cancel the debt of the world's poorest countries, claiming that any cancellation of debt would affect their image in the capital markets and thus their ability to raise funds. That was not a very convincing argument since the Bank's ability to raise money did not necessarily depend on the soundness of its borrowers. The financial strength of those two Bretton Woods institutions depended on the fact that the industrialized nations were their guarantors, and writing off bad debts would improve their books rather than make them worse. Those financial institutions should be urged to come up with concrete recommendations for a workable method of resolving the multilateral debt problem as speedily as possible. The time for debate had passed; it was time for action. Otherwise, the situation would continue to

worsen and become more difficult to resolve. Indonesia remained ready to share its experiences in debt management in order to help solve the problems of other debtor countries, especially the least developed countries.

3. Mr. PRENDERGAST (Jamaica), speaking on behalf of the 13 States members of the Caribbean Community (CARICOM), endorsed the statement made by the representative of the Philippines on behalf of the Group of 77 and China. Referring to the external debt situation, he pointed out that since the beginning of the debt crisis, the collective energies of the developing countries had been directed towards resolving that critical situation with a view to mitigating the adverse consequences of the crisis for their economies. While notable progress had been achieved in some areas, the overall situation had become increasingly grave. The debt crisis was one of the major causes of concern for many developing countries, because of the constraints it imposed on their economic development. The CARICOM countries welcomed the initiatives, plans and strategies which had emerged over the years, particularly those dealing with private commercial debt and official bilateral debt. Some countries including some from the Latin American and Caribbean region had substantially improved their debt situation. Other countries, however, continued to face the intolerable burden of their external debt, a situation to which the international community, especially the developed countries, could not remain indifferent. Sad to say the initiatives that had been implemented had failed to affect the total stock of debt. As the Secretary-General had stated in his report, the international strategy for bringing countries out of their debt was incomplete. Although many countries had benefited somewhat from the implementation of debt relief initiatives, the debt of many countries was still unmanageable and there was, therefore, an urgent need to find creative and innovative strategies to tackle the overall debt problem.

4. Some Caribbean countries had made fundamental changes in economic policy by undertaking structural adjustment. The social costs of those policies were high in that monetary and fiscal austerity reduced the ability of countries to provide basic services such as health, education and housing. The critical debt situation severely hampered the ability of developing countries to meet national development goals with resources which they themselves generated, since those resources were pre-empted by debt servicing.

5. Measures must also be taken in the area of debt owed to multilateral institutions which showed very little flexibility in the rescheduling of loans.

6. The most recent meeting of Commonwealth Ministers of Finance held in Jamaica, had attempted to address, among other things, the issue of the debt burden faced by the developing countries among their members. The following recommendations had been made: (1) establishment of a mechanism to provide long-term concessional loans so as to provide eligible countries with a way out of their debt to the International Monetary Fund (IMF), with a grant component for those countries heavily in debt; (2) establishment of a multilateral debt facility; (3) full implementation of the "Trinidad terms", which included 80 per cent relief for the most needy countries; (4) creation of a special window for debt in the IMF's Enhanced Structural Adjustment Facility (ESAF), which would be a permanent feature; (5) move to make ESAF self-financing, by using the income from the sale of some of the Fund's gold reserves, to help

finance the subsidies; (6) efforts to increase the effectiveness of the Fund's surveillance, which should be symmetrical in application to all members; (7) creation of an IMF early warning system to avert crises; (8) establishment of new procedures, such as an emergency funding mechanism, to provide access to IMF services in times of crisis; and (9) steps to ensure that debt reduction financing took into account the need to avoid adverse consequences for countries which had continued to service their debt on a regular basis.

7. It was of great concern that the International Development Association (IDA), the largest source of concessional loans to the world's poorest nations, was threatened with extinction. The Caribbean Community endorsed the call made at a recent meeting of the World Bank Group, by the Prime Minister of Barbados urging all donors to give full support to an increase in the resources of IDA, on terms which would protect the access of vulnerable small island States to concessional resources.

8. In that context, the Community stressed the need for greater coordination between the international, financial and trade institutions and the United Nations system, in order to improve the macroeconomic situation and enhance development cooperation, at a time when negotiations were under way on an agenda for development one of whose basic elements was external indebtedness. He reiterated the call made by the Group of 77 and China for a once-and-for-all approach to the debt problem of developing countries, through an integrated strategy which addressed all types of debt and debtor countries, further reductions in the debt service burden, greater flexibility in rescheduling debt, the creation of new and innovative programmes and the expansion of IDA facilities.

9. Resolving the problem of external debt under the auspices of the United Nations could be an example of how to overcome a serious development problem through international cooperation. To achieve a permanent solution to the debt crisis and to promote sustainable development, it was necessary to ensure adequate external financing through the creation of a favourable international trading environment and an increase in development assistance. The developed countries and relevant international institutions must support the efforts of the developing countries.

10. Mr. GUL (Pakistan) said that the data on the global economic situation were complex and many of the trends were contradictory, thus it was impossible to make any confident predictions regarding the future of the world economy. Among the positive trends, there was a certain dynamism in the world economy with the overall growth rate at around 3.7 per cent. Market forces were operating on a global scale, national economies were drawing closer together and there were increasing opportunities for economic exchanges between States; that had been reflected in a 9 per cent increase in international trade in 1994.

11. However, other factors left no place for undue optimism. First, growth in the world economy was marked by great unevenness; entire regions and large sectors of the population in many countries were being marginalized; second, the current growth rate was proving disturbingly fragile; and, third, most countries had been shown to be extremely vulnerable to external factors, the reason being, simply, the asymmetry in power relationships.

12. In many ways, the world economy was showing classic signs of early capitalism: uneven growth, economic fragility, non-democratic decision-making procedures, great social inequalities and systematic despoliation of the environment. That situation had to be corrected, and structural problems that could undermine economic gains had to be addressed. Foremost among those problems was the question of development financing.

13. The importance of private finance in promoting development could not be denied. Countries with successful development strategies were characterized by their ability to attract a flow of private finance through judicious policies of deregulation and liberalization. In the case of Pakistan, which was one such country, the main reason for its success was that the scope, sequencing and rapidity of implementation of those policies had been determined by taking its specific circumstances into account, not by applying set formulas.

14. While developing countries needed to formulate policies to attract financial flows, they had reason to be concerned by the volatile nature of such flows. In that respect, the recent measures taken to ensure that there was an early warning mechanism to detect destabilizing movements of capital were most welcome. The provision of regular and timely data on key economic indicators and a closer policy dialogue between the International Monetary Fund (IMF) and countries of systemic importance could be useful. At the same time, IMF must have the requisite financial resources to contribute to the orderly resolution of crises. To that end, it was important to increase the Fund's quotas and to enhance the emergency financing facility and the currency stabilization fund. In that context, the proposal of the Managing Director of the IMF to use Special Drawing Rights as a financial safety net was worthy of consideration.

15. Thirdly, what had been described as "the crisis in official development assistance" in the Secretary-General's report (A/50/397) was causing concern because of the need for a continued flow of concessional funding to developing countries to compensate for the dearth of private financing, which was generally not attracted to development projects in the social sectors. He noted in that connection that official development assistance was useful in attaining such collective goals as eradicating disease, curbing population growth and addressing environmental concerns. The results of the tenth replenishment of the International Development Association and the decline in United Nations operational funding were therefore disturbing developments.

16. Fourthly, there was a worrying tendency among donors to extend conditionality into new areas not directly concerned with macroeconomic issues, such as environment, the status of women and good governance. The desirability of countries addressing those complex and sensitive issues was not in dispute but multilateral financial institutions should refrain from making value judgements on matters that did not fall within their mandate.

17. Lastly, there was a need to ensure greater control by developing countries over their international economic environment. Financial flows to developing countries did not depend on the nature of their domestic policies but were largely determined by the actions of major industrialized countries, especially the Group of Seven, over which they had no influence. In addition, the international financial institutions supervised the policies of developing

countries in the context of the conditionality attached to programmes of assistance but did not supervise those of developed countries. The delegation of Pakistan saw the need for better policy coordination among industrialized and developing countries and for closer surveillance of the policies of major industrialized countries. The current upturn in the global economy would thereby be consolidated.

18. Mr. ZULU (Special Representative of the International Monetary Fund) said that at the 1994 Annual Meetings of the International Monetary Fund (IMF) and the Work Bank in Madrid, the ministers had adopted the Madrid Declaration as a framework of policy objectives and strategies for countries and financial and trade institutions. It had been noted at the Meetings that various groups of countries were enjoying favourable rates of growth and that while the size of the fiscal deficit remained a problem in some countries, the authorities had generally responded by implementing measures in the right direction. Concern had, however, been voiced about unsustainable levels of unemployment and members had been urged to institute more flexible labour market practices.

19. In Africa, the economic outlook had improved and it was hoped that countries that were performing well would have a favourable impact on their neighbours and that regional integration would expand production and market opportunities. Now, 12 months after that assessment, the encouraging global trend appeared to be holding up. The economic and institutional reforms undertaken had stopped the downward slide and achieved real net gains. Between 1994 and 1995 the number of IMF-supported economic programmes under implementation in Africa had increased from 12 to 18, and the number of programmes in advanced stages of discussion had increased from two to five. Many countries had laid the basis for sustained growth by containing inflation and opening up their economies. Policy actions recommended to consolidate those gains included the reform of indirect taxes and public enterprises and remunerative prices for agricultural products. In Asia, high growth rates had been maintained. In Latin America, although growth rates were not high, they had remained stable, so that the gains made in the previous period had been consolidated. In addition, many countries had made strenuous efforts to contain price pressures. The economies in transition, for their part, had continued to consolidate their integration in the world economy and had recovered much lost ground in production, consumption and employment. Price performance had also been significant. As in other regions, a differentiation in the strength of performance was noticeable. Countries that had pursued strong fiscal policies and had liberalized production and economic structures had made greater progress than those which could not introduce or sustain the necessary adjustments. Lastly, the industrialized countries had performed well, generally reducing fiscal imbalances. However, a firmly declining trend had not yet been achieved in the ratio of public debt to gross domestic product.

20. The Madrid Declaration also addressed the issue of the contribution of financial and trade institutions to the creation of an enabling environment. The first breakthrough had been the historic Uruguay Round agreement, which had set the stage for continued reduction in barriers to trade, expansion of global commerce and improved market access for developing countries. The new Naples Terms, adopted by the Paris Club in December 1994, had improved debt rescheduling terms for low-income countries. Nevertheless, the Fund believed

that donors should continue to support the poorest countries with concessional assistance and should keep the needs of those countries in mind in their fiscal consolidation efforts.

21. A short-term financial crisis had occurred in emerging markets and the Fund, with the support of the international community, had stepped in forcefully to protect the stable conditions underpinning the Madrid Declaration and to restore global market confidence. Emerging markets had been urged to accelerate the economic and institutional reform called for by the globalization of markets. It was noteworthy that the crisis had led to important and far-reaching decisions and accelerated decision-making on issues that had been pending for some time. The financial crisis in Mexico had provided an opportunity for immediate action to stabilize the markets and had galvanized efforts to design approaches and strategies that would minimize future runs on financial markets. The first strategy was to strengthen surveillance of member countries' economic performance and of trends in the financial markets. To that end an effective early warning system had been established and, in an unprecedented development, all member countries had agreed to be subjected to regular reporting of data. Another important decision had been to double the emergency financial support mechanism. Furthermore, the Interim Committee had endorsed the decision by the Executive Board of IMF to establish emergency financial arrangements which, although conditional, could be activated at short notice. Those actions had been an affirmation of the role of IMF as the centrepiece of international economic cooperation.

22. The debates at the current year's Annual Meetings had reflected the closer working relations between the United Nations system and the Bretton Woods institutions. The Interim Committee had endorsed the Board's decision to expand the scope of IMF involvement in post-conflict situations. The ministerial meeting of the Development Committee had discussed the implications of the World Summit for Social Development at the highest policy level. The comments and observations of the ministers of finance would be taken into account in future operations of the World Bank and the Fund when social issues were addressed.

23. With regard to the issue of indebtedness, no effort was being spared to identify solutions, especially for the heavily indebted low-income countries. At IMF, the Enhanced Structural Adjustment Facility had been extended and would become permanent and self-financing by the year 2000. With regard to multilateral debt, the practice of holding discussions and consultations with Governments had been consolidated. The World Bank and IMF were working together to ensure a coordinated approach that would be considered at the spring meetings of the Interim Committee and the Development Committee.

24. Mr. ELTINAY (Sudan) said that his country had endeavoured to liberalize the economy and pursue economic policies designed to achieve economic and social development goals. The Sudan was one of the least developed countries that were grappling with adverse international conditions and unfair terms of trade that hampered export development. In addition, multilateral public debt and commercial debt had become a crushing burden for the least developed countries. Because of the prevailing international economic environment the number of least developed countries had increased from 41 to 48. The situation was therefore serious notwithstanding the adoption in Paris of the Programme of Action for the

Least Developed Countries for the 1990s and the commitment of the least developed countries to the Uruguay Round decisions and IMF recommendations.

25. Structural adjustment measures entailed social costs, unless those costs were reduced, efforts to make the transition to a market economy through such adjustments would lead to economic recession rather than the desired recovery. Although the Secretary-General's report foresaw an improvement in the economic situation of African countries, the fact that the developed countries were reneging on their pledges to those countries was not a good sign. The Sudan, like other African countries, took the view that prime responsibility for development lay with the individual country concerned. However, the international community would have to assume its proper share of responsibility in the context of an alliance for development.

26. It was regrettable that the report of the Secretary-General did not broach the subject of the effects of external debt on the least developed countries, since it was the principal obstacle to their enjoying the right to development. In order for developing countries to meet their debt and debt-servicing obligations, they would have to have at their disposal guaranteed export earnings. However, access for their products to international markets was limited as a result of protectionist measures, political decisions and undeclared wars against specific products. Moreover, the scarcity or lack of savings prevented many developing countries from promoting local investments to increase export capacity. In addition, overseas development assistance (ODA) was insufficient and foreign investment was usually accompanied by costly and unfair conditions.

27. The strategies that linked structural adjustment measures to external debt reduction for some countries failed to take into account the adverse social impact of those measures. At the same time, the insistence on analysing the debt problem on a case-by-case basis underlined the selectiveness of the approach. Such an approach only focused on short-term objectives, which did not offer a permanent solution to the debt problem. The Sudan welcomed the new trend among international finance institutions to adopt a broad approach to the debt problem through the implementation of flexible repayment deadlines. It was necessary to implement programmes for writing off the debt of the least developed countries following an appropriate schedule and, subsequently, to adopt similar measures for other developing countries. Sudan supported all the proposals put forward by the least developed countries for tackling the difficult debt problem and setting in motion a process of self-sustained development with the support of the international community.

28. Mrs. MAIKARFI (Nigeria) endorsed the statement made by the representative of the Philippines on behalf of the Group of 77 and China, on the external debt crisis and development. As pointed out in one of the reports on the debt situation of the developing countries (A/50/379), the external debt crisis remained an obstacle to development in the developing countries and, in particular, in the least develcped countries, in spite of the important relief measures adopted for some countries and for specific types of debt. Whereas the report stated that writing off the debt overhang did not, in itself, offer a solution to the development problems of the countries affected by the debt crisis, it acknowledged that as long as a debt overhang remained, even the most

rigorous and effective economic stabilization and structural adjustment programmes would leave them with obstacles that prevented them from reaching a sustained and sustainable level of development.

29. Leaving indebted countries in their current predicament neither contributed to the cause of development nor did it enable lending institutions and countries to recover their loans. The time had come to change the situation. The decisions adopted at the World Summit for Social Development in Copenhagen on the issue of external debt and debt-servicing, referred to in paragraph 90 of the Programme of Action and subparagraph (o) of Commitment 9 of the Declaration were opposite and should be put into practice. More radical solutions were essential in order to write off certain types of debt incurred by least developed countries and reduce substantially the debt of middle-income countries. The report of the Secretary-General revealed the lack of measures for reducing the multilateral debt or debt-servicing burden of the developing countries, which accounted for a substantial portion of total debt. In the case of Nigeria, multilateral debt represented 67.51 per cent of its total external debt. The greater part of that debt had been incurred through funding of investment projects but, since 1989, the country had been obliged to cancel repayments of debt-service arrears and had been unable to fulfil contractual obligations, as a result of which disbursements had been suspended, implementation of the majority of projects stopped and a large number of national companies now faced financial difficulties. It was therefore urgent to adopt measures to relieve multilateral debt, failing which it would prove impossible to solve the problems of many poor countries.

30. Mr. ZEBRAKOVSKY (Czech Republic) endorsed the statement made the previous day on behalf of the European Union, and referred to the specific experience of his country in the area of macroeconomic policy issues. The profound economic and political changes in the Czech Republic were based on fundamental measures such as privatization, liberalization of prices and foreign trade and adherence to democratic principles. During the process of privatization, which had been largely completed, 1,432 state-owned enterprises, valued overall at about CK 540,000 million had been transformed into joint-stock companies. With respect to the macroeconomic indicators, it was estimated that gross domestic product (GDP) growth would be 4.2 per cent in the current year and almost 4.8 per cent in 1996. The country had a balanced state budget, an annual inflation rate of about 10 per cent and an unemployment rate of about 3 per cent.

31. Liberalization of foreign trade, which was a principal feature of the economic transformation of the Czech Republic, had been implemented in line with the conclusions of the Uruguay Round. Clearly, integration of the country into the global economy also required the adoption of appropriate legislation. In that regard, the most significant law which had recently been adopted was the amendment to the Foreign Exchange Act which would allow full convertibility of the Czech currency.

32. Contrary to the experience of other countries, economic reforms introduced in the Czech Republic had been based on a political and social consensus. The biggest challenge in the area of social policy had been to shield the country from the adverse consequences of economic transformation. The Government's aim

had been to build a solid foundation for an equitable social system. One basic instrument was an emergency social network which guaranteed protection during unemployment, pursued an active employment policy and protected groups most affected by the economic changes, particularly pensioners and families with children.

33. Another basic condition for social development and prosperity was the existence of a well thought out and properly managed education system which required a suitable blend of financial arrangements and incentives, both State-provided and private. The health care sector was also being privatized but the process had not yet been completed to the full satisfaction of the Czech authorities.

34. The fundamental preconditions for social, political and economic reform were surprisingly simple and obvious: adherence to democratic principles, courageous but prudent economic reforms, massive privatization, sensitive social policy and respect for human rights. The Czech Republic did not claim that its experience was the only possible and correct way of achieving a profound transformation of society. However, the lessons learned in the process, primarily concerning macroeconomic policy issues, were lessons not thought out in theory, but experienced in life, and the Czech Republic would be pleased to share them with any country facing similar challenges.

35. Mr. KANG'E (Kenya) endorsed the statement made by the representative of the Philippines on behalf of the Group of 77 and China on agenda item 94 and underscored some of the issues which were most important to his delegation. Economic growth in Africa continued to be slow, with the exception of some countries whose economies had registered marginal growth. Although the World Economic and Social Survey 1995 indicated that the gross domestic product of sub-Saharan Africa had grown in 1994 for the first time in two years, that trend had largely been absorbed by population growth and consequently there had been no tangible improvements with respect to the alleviation of poverty or the generation of productive employment.

36. While there was no doubt that the rate of economic growth and development in a particular country was largely a function of domestic factors, the impact of international factors was also important, in particular those of a financial nature, which could have either a positive or negative effect on developing countries. His delegation welcomed the decision adopted by the Group of Seven at their annual Summit at Halifax to pursue appropriate macroeconomic and structural policies to maintain the momentum of economic growth. However, the coordination of macroeconomic policies, including those of the Bretton Woods institutions, and consultations on them, should be broadened and harmonized, since the international financial environment to which all countries were adjusting was an inevitable factor conditioning domestic policy reforms.

37. One major obstacle which many developing countries were trying to overcome as they undertook macroeconomic and structural reforms was the problem of access to international financing. The developing countries, in particular those in Africa, required external financial resources to supplement gross domestic savings and to support the financing of their domestic investment. As indicated in the report of the Secretary-General (A/50/397), it was evident that there was

no shortage of global savings to finance global investment; rather, the required political will was lacking.

38. As the United Nations celebrated its fiftieth anniversary, it was [illegible] imperative that development support be accorded the priority it deserved. The international commitments to reach the target of 0.7 per cent of gross domestic product should be given the necessary impetus in order to reverse the declining trend in aid. His delegation urged the industrialized countries to meet the ODA target and to provide new resources to finance the programmes adopted by various United Nations conferences on more favourable terms and on a predictable basis.

39. The debt problems of the developing countries, in particular in sub-Saharan Africa, continued to be a major constraint to economic growth and development. Funds that would be available for capital formation, improvement of infrastructure and the provision of social services were diverted to service debt. The report of the Secretary-General on the developing country debt situation as of mid-1995 (A/50/379) recognized that, despite the debt reducing initiatives implemented thus far, the situation remained critical. His delegation believed that a lasting solution to the debt problem required the adoption of bold measures for the reduction or cancellation of the bilateral and multilateral debt of heavily indebted low-income countries, in particular those in Africa.

40. Mr. BERMAN (Chief, International Economic Relations Branch, Department for Economic and Social Information and Policy Analysis) thanked delegations for their comments on the documents prepared by the Department, in particular on the World Economic and Social Survey 1995, which should serve as reference material throughout the United Nations system. He also welcomed the reference in the statement made on behalf of the Group of 77 and China to the Trade and Development Report 1995 of the United Nations Conference on Trade and Development (UNCTAD), and he recalled the profound loss that had been occasioned by the sudden death of Mr. Abrahamian, the chief author of that publication. He wished to note that Mr. Milleron, the Director of the Department, had met recently with Mr. Ricupero, the new Secretary-General of UNCTAD, with whom he had agreed to work closely on all issues of mutual interest.

41. The Department estimated that the world economy as a whole would grow about 3 per cent annually for several years, with low inflation rates. Global economic dynamism would result in the rapid growth of world trade and relatively low interest rates, which would benefit the developing countries, and there was a possibility that the growth of those countries would proceed at a rate of about 5 per cent annually, even if the more rapid growth rates were confined to a limited number of countries. However, many developing countries did not fit in that picture and there were many dangers that could disrupt those positive developments. The Department was seriously concerned about the fragility of the economies of Latin America and about the economic situation in Africa and it was fully aware of the extent of poverty in Asia. With regard to the comment that the Department had not highlighted the economic and financial situation in the least developed countries, he pointed out that that mandate had been assigned to UNCTAD, but could also be included among the Department's mandates if delegations so desired.

The meeting rose at 4.45 p.m.

UNITED NATIONS

General Assembly

FIFTIETH SESSION

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The meeting was called to order at 10.15 a.m.

AGENDA ITEM 88: AGENDA FOR DEVELOPMENT (A/49/45, A/48/841, A/50/254-E/1995/101, E/1995/18, A/50/425-E/1995/78)

1. The CHAIRMAN, recalling that the General Assembly had established an ad hoc open-ended working group under the chairmanship of the President of the General Assembly to elaborate further an agenda for development, said that agreement had been reached on a structure consisting of three main chapters and on a synthesis text consisting of the first two chapters, as the basis for discussion, had brought the working group closer to completion of its task. He drew attention to the progress report (A/49/45) submitted by the working group, particularly to paragraphs 6, 7 and 8.

2. Mr. MONFORT (Philippines), speaking on behalf of the Group of 77 and China, said that they attached great importance to an early and successful conclusion of the negotiations on an agenda for development. The agenda should be action oriented and should provide the framework for implementing existing international commitments for development and for promoting sustained economic growth and social development. It should also stress the need for increased external resources to support economic growth and restore development issues to the top of the United Nations agenda, thus creating a better balance between development, on the one hand, and peace-keeping and other activities, on the other.

3. In order to allow adequate time for preparation for the negotiations, the Group of 77 and China were of the view that the working group's next session should be scheduled for three weeks.

4. Mr. LACLAUSTRA (Spain), speaking on behalf of the European Union, said that an agenda for development offered a unique opportunity to send a strong message on the need for a new commitment to international cooperation for development based on an integrated approach. Although much remained to be done, the Ad Hoc Open-ended Working Group had made encouraging progress.

5. The European Union believed that the three chapters were all equally important and that they should mirror the world's current political and socio-economic situation and the new consensus that had emerged from recent international conferences as well as the need for the United Nations system to adjust its machinery to those new realities. In that regard, it was vitally important that an agenda for development should reflect the fact that peace and development were inter-related and that an agenda for development and an Agenda for Peace were complementary. Account should also be taken of the growing economic differentiation among developing countries, as such differentiation provided an opportunity for increased partnership between those developing countries that had registered rapid growth and were participating in the world economy and the poorest developing countries that were being marginalized. The social and environmental dimensions of development as well as fundamental factors, particularly democracy, the respect of human rights, the empowerment of women and a participatory approach to development, were equally important for the attainment of people-centred sustainable development.

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6. Mobilization of both domestic resources - through, inter alia, increased national savings, an effective taxation system and a reduction of military expenditure - and external resources was imperative for the achievement of that goal. In that regard, the European Union remained committed to devoting 0.7 per cent of the gross national product of its member countries to official development assistance and 0.15 per cent of GNP to the least developed countries. The approach should be comprehensive and should encompass all available sources, including private flows, and the agenda should also address the issue of the effectiveness of aid and the priority to be given to basic social services.

7. Finally, there was a strong case for reform of the United Nations machinery in order to improve its capacity to respond to the needs of developing countries. An agenda for development should address the need for better focused and more integrated roles for all United Nations bodies. The respective roles of the General Assembly and the Economic and Social Council must be further enhanced and cooperation with the Bretton Woods institutions should be strengthened. The United Nations should build on the work already done to improve field-level coordination of the United Nations development system by supporting the resident coordinator system, preparing country strategy notes and focusing on the comparative advantages of that system.

8. The European Union was firmly committed to the adoption of a concise, substantial and innovative agenda for development during the current session.

9. Mr. MOON (Republic of Korea) said that, in the new world of globalization, traditional ways of achieving development were beginning to lose their effect. Since the United Nations had 50 years of experience in development and a vast global network, reform of the system should aim at strengthening, not reducing, the role of the United Nations in the area of development.

10. The private sector and government should complement each other's role, with government taking primary responsibility for implementing national development strategy, while encouraging the active participation of the private sector. Although development was a multi-faceted concept, it should be acknowledged that economic growth was the mainspring of development and that in order to achieve economic growth and greater social equality, it was necessary to promote education and human resource development.

11. It was very important to publicize the agenda for development, as its ultimate purpose was to inspire the political will and genuine commitment of all Governments and peoples to development and to consolidate international cooperation.

12. Mr. ADECHI (Benin) expressed the hope that completion of an agenda for development would be among the first major actions taken by the United Nations during its fiftieth anniversary year.

13. Three main objectives must be achieved. First, an inventory should be conducted of the commitments, recommendations and decisions taken over the past five years which had not been implemented or only partially executed. Next, specific ways and means must be found to implement the programmes of action

adopted at the various United Nations conferences and summits held during the 1990s. The various components of the United Nations system should be able to estimate how much they proposed to allocate over the course of the next 10 years for the implementation of each plan or programme of action. Third, an annual schedule of implementation should be drawn up covering a 10-year period.

14. The first goal was nearing completion, and further information would be added as it became available. However, no concrete proposals had as yet been made regarding the second and third goals. Delegations should make use of the time before the next session of the working group to produce written proposals for discussion.

15. The agenda for development must not become just one more in the long series of documents that had been forgotten by all but specialists and negotiators. It must become an integral part of a process of change and evolution aimed at making international cooperation more effective and efficient. Its true impact could only be measured, however, by present and future generations.

16. Mr. KUDRYAVTSEV (Russian Federation) said that, although some progress had been made in the elaboration of an agenda for development, his delegation had some concerns at the slow pace and sometimes unproductive nature of the discussions.

17. Commenting on the process of the deliberations themselves, he said that the drafting of an agenda for development should be completed before the end of the fiftieth session of the General Assembly. Therefore, all delegations should make the maximum use of the available time and resources. The idea of holding a short session of the working group in December, after the Committee completed its work, was worth considering. The other option would be to hold a session in January or February of 1996, which had the advantage of allowing more time for preparation and reflection.

18. Mr. RONNEBERG (Republic of the Marshall Islands) said that the growing predominance accorded to peace-keeping activities was having a detrimental effect on development activities. His delegation was keen to see an agenda for development completed in order to restore development to its important role in the United Nations system.

19. The Marshall Islands, like most developing countries, was facing difficult economic times. International assistance was becoming scarce and his Government was having difficulties in following through on some of its development projects. The comprehensive and ambitious programme of action resulting from the Global Conference on the Sustainable Development of Small Island Developing States fit in well with the efforts of the Marshall Islands. His Government had joined with the neighbouring island States of Kiribati, Nauru and Tuvalu in trying to forge a dynamic partnership in transportation and shipping. They faced perennial problems of funding for the implementation of other parts of the Programme of Action, however. There appeared to be no shortage of funds for hiring consultants to establish more plans, but the situation changed when they attempted to implement those plans. His delegation called on the international community to recognize the problems with the implementation of agreed programmes of action and to take action to rectify them.

20. The Marshall Islands would be undertaking a number of steps to improve the situation for women as a result of the Beijing conference and proposed to sign the agreement on straddling fish stocks and highly migratory fish stocks in the near future. That agreement was very important to the Marshall Islands, which viewed the fisheries sector as one of the most important areas in which its economy could grow. The United Nations definitely had a role to play in helping it achieve its goals in those areas.

21. Mr. RAMOUL (Algeria) said that the discussions held within the Ad Hoc Open-ended Working Group had reflected a disturbingly shortsighted vision. Indeed, the disappointing results were to be expected given the lack of political will to relaunch the debate on economic growth in developing countries and to recognize the need to restructure international economic relations so as to ensure that developing countries could effectively participate in decision-making, and given that discussions had focused on the restructuring of the United Nations. The objective of the proposed agenda for development should be to create a new framework for cooperation for development and lay the foundations for a new partnership between North and South based on justice rather than charity. Such a partnership would ensure an equitable share of world market opportunities within the framework of mutually beneficial cooperation that would no longer be based on unilateral conditionalities. It was crucial to promote a new code of ethics to ensure the emergence of a more just and more equitable international order. The agenda for development should underscore the anachronistic nature of the current international economic and financial system which, each year, deprived developing countries of over $500 billion in economic opportunities due to restrictions or unequal access to world trade, labour and capital markets and "allowed" a net transfer of resources of $50 billion from the poor countries to the wealthy countries.

22. The tendency for the Bretton Woods institutions to become increasingly involved in direct economic management in the developing countries, instead of playing a role of global governance was cause for great concern, particularly since they were often incapable of redressing the imbalances in world monetary and financial markets, which usually operated against weak economies. Effective regulatory mechanisms governing all actors in the international economy should be instituted as a matter of urgency.

23. Mr. MARUYAMA (Japan) said that addressing the issue of development in terms of a confrontation between North and South was counterproductive. A partnership needed to be established between developing and developed countries. In that regard, the Government of Japan was proposing a new development strategy which would be based on the establishment of people-centred development objectives; the implementation of differentiated and comprehensive approaches to development; the formulation of a set of development targets combining various economic and social indicators to be achieved by the year 2010; the development of human resources and institution-building; the parallel promotion of peace and development with emphasis on issues such as human rights; environmental protection and social welfare; and South-South cooperation including the establishment of an effective facility within the United Nations Development Programme.

24. Given the diversity of most societies, Japan advocated a comprehensive, flexible approach to development which was country-specific and utilized a range of policy measures that included, but were not limited to, official development assistance. Donors would not impose packages or conditions and the comprehensive approach would be implemented in a flexible manner. Since the maintenance of peace was the basis of economic development, all countries should make further efforts towards disarmament. His Government, for its part, was actively involved in efforts to secure nuclear and small-arms disarmament. The recipient countries should make further efforts towards maintaining peace and reducing military expenditures while donor countries must assist those developing countries which made such efforts.

25. Mr. SINGH (India) said that due to a number of factors, which included aid fatigue and severe budgetary pressures in industrialized countries, the proposed agenda for development had become basically a summary of commitments undertaken at different conferences. That was somewhat unfortunate. It was, therefore, all the more necessary to use the framework of the agenda to focus attention on implementation of the agreements reached. Fortunately, the agenda was substantive, and it had been possible to prevent an arbitrary fragmentation of the concept of development. Significant work remained to be done with regard to the chapter dealing with the institutional framework. The latter should not be viewed in isolation but rather in the light of the first two chapters. Reform of institutions for the sake of reform or downsizing purely on account of budgetary constraints would not serve the cause of development. Efficiency and effectiveness were, of course, important but so also was the cause of development.

26. The proposed agenda for development should clearly indicate that the various facts of development could not be viewed in isolation. While developed countries had sought to highlight the role of domestic resources, those resources could not be mobilized unless there was rapid economic growth. A holistic approach was necessary to assess the balance between expenditure on economic services and that on social services. A sustainable strategy of social development and environmental protection presupposed a strong and broad-based growth in income and employment. The legitimate world-wide concern for social development and environmental protection should not be allowed to degenerate into additional conditionalities imposed on developing countries from abroad. Poverty eradication and economic growth and development would remain the overriding priorities for developing countries.

27. Turning to the question of diversity among developing countries, he noted that decisions regarding which countries should be eligible for assistance and preferences were often made unilaterally based on the subjective judgements of the developed countries. With the shrinking availability of resources for official development assistance (ODA), it had been suggested that access to resources and preferential arrangements should be limited to a smaller number of developing countries. There had even been suggestions to "individualize" developing countries and not recognize them as a category. It was important to recall that developing countries all experienced certain problems including inadequate availability of resources, low levels of technology, inadequate social and economic infrastructure and widespread poverty. It had already been recognized that some categories and groups of developing countries faced special

problems or critical situations. He urged the Committee to apply the development test to regimes governing international trade, technology transfers and financial flows. The Committee should also re-energize its efforts to promote the implementation of commitments and obligations undertaken earlier.

28. Mr. ZIAUDDIN (Bangladesh), referring to the synthesis text considered by the Working Group, said that there was need for more action-oriented language, in the section on policy framework, particularly relating to the core economic issues of trade, science and technology. The current text did not adequately refer to existing commitments for restoring economic growth nor did it refer to required measures in explicit terms.

29. On the issue of specific situations requiring priority action, he drew the Committee's attention to the results of the High-level Intergovernmental Meeting on the Mid-Term Review of the Implementation of the Programme of Action for the Least Developed Countries, which had come up with a number of action-oriented recommendations relating to external finance, trade and external debt. The relevant language should be incorporated in the proposed agenda for development.

30. Concerning institutional issues, he said that the United Nations system should be more responsive to the development needs of the developing countries and the various institutions that dealt with development issues and the follow-up to major international conferences and programmes of action should be strengthened and adequately funded. The relationship between the United Nations and the Bretton Woods institutions was very important for development. The same applied to the World Trade Organization. He stressed the need for democratizing the decision-making system and ensuring greater transparency of those institutions. Coordination between the United Nations and those institutions must be enhanced, and the Bretton Woods institutions should be encouraged to take far-reaching measures to expand investment in the social sectors in the developing ccuntries.

31. Mr. REGALADO PAPINI (El Salvador) said that the experience of Central America was proof that peace and security were not possible without integrated development, which implied democracy, social justice and respect for human rights. Efforts had been made to end armed conflict, achieve peace and improve the well-being of the peoples of Central America but much ground remained to be covered to eradicate poverty, unemployment and to make improvements in health care, education and the environment. Other regions of the world faced similar or worst problems.

32. He expressed optimism at the prospect of an agenda for development and stressed the need to establish an order of priorities for the objectives of the proposed agenda, and to balance them with the priorities of the Agenda for Peace so as to strengthen the Organization's capacity to confront economic and social challenges. The proposed agenda was vital for Central America, and the search for a new framework for international cooperation acquired special relevance given the decline in development resources and the need to follow up the decisions adopted at recent international conferences.

33. Mr. ZOUBI (Jordan), reiterating his Government's full support for the proposed agenda's five dimensions said that his Government had previously

proposed that the agenda should include a bridging mechanism. The proposal of the Jordanian Government included the adoption of objective evaluation criteria whereby countries would be judged on the basis of their performance in attempting to achieve sustainable development; a plan to alleviate debt overhang and put a ceiling on debt repayments; the provision of financial packages to finance multinational projects and special assistance to those countries seeking to fulfil the requirements of an open economy. There was an urgent need to develop positive international incentive plans. Countries that embraced the free economy approach did so under pressure to repay their debt or to acquire foreign assistance. The World Hearings on Development which had been organized the previous year had been invaluable.

34. Mr. CUI Tianmay (China) said that the proposed agenda for development should solidify and strengthen the common understanding reached by the Committee in recent years in the field of development and should promote international cooperation and development and, at the same time, strengthen the role of the United Nations in international cooperation for development. It would also redress the imbalances in funding between peace-keeping and development activities. The expressed satisfaction at the progress already made by the Working Group but urged it to attempt to complete its negotiations at the current session. To ensure the orderly and efficient conduct of the negotiations, a progressive approach should be adopted, in other words the policy framework part should be completed before other problems were tackled. He stressed that the principle of consensus should be adhered to and the voice of the numerous developing countries heeded.

35. Mr. ŽEBRAKOVSKÝ (Czech Republic) said that recent work on an agenda for development adequately reflected hopes for establishing a new conceptual framework for development-oriented activities and taking a fresh look at the development mandate of the United Nations. The text of an agenda for development, which should be completed without delay, could be used as a basis for undertaking far-reaching reforms of the United Nations system. The new comprehensive vision of multilateral development cooperation and partnership must be accompanied by institutional reforms and means of implementation. A vision of action for human-centred development was needed which would embrace potential development capacity and resources while identifying possible new activities. An agenda for development must therefore be an open and flexible document rather than a static snapshot of a single moment in history.

36. The Economic and Social Council should be the steering body of all United Nations development programmes and should facilitate the implementation of recommendations adopted at major United Nations conferences while producing strong policy guidance with respect to other measures for promoting development. The new development challenges could be better addressed through the Council than through new global conferences. Furthermore, the regional commissions also had an important role to play. However, the most crucial challenge was the upgrading of cooperation and coordination of development efforts with the World Bank, the International Monetary Fund and the World Trade Organization.

37. The Czech Republic, one of the countries in transition, was now entering the post-transformation stage of development. In that new phase, it would

endeavour to play a more active role in development and increase its cooperation with developing countries.

38. Mr. RESHETNYAK (Ukraine) said that the first two chapters prepared by the Ad Hoc Working Group reflected all the key aspects of development. The statements made in the general debate in the plenary of the General Assembly and in the current discussion in the Second Committee contained very useful information which should be taken into account in the preparation of the third chapter, concerning institutional issues and follow-up. The Working Group also should make maximum use of the consensus formulas contained in the final documents of recent United Nations conferences on economic and social matters. The relevant elements of the balanced decision taken at the summer session of the Economic and Social Council with respect to the coordination of activities of international conferences held under United Nations auspices also should be taken into account in the third chapter.

39. There was no need to establish new decision-making structures in the economic and social spheres. Rather, the appropriate existing bodies should be strengthened, principally by strengthening the coordination functions of the Economic and Social Council. The agenda for development should clearly reflect the roles of Governments and resident coordinators in the context of the decentralization of the operational activities of the United Nations.

40. The Working Group had not made sufficient use of material contained in existing United Nations documents, in particular, reports by the Secretary-General on the subject. Those documents contained concise statements of the fundamental aspects of development and their interrelationships. Much of the material proposed for consideration by the Working Group was amorphous in structure and somewhat lacking in clarity; however, it was very informative on substantive matters.

41. The problems of the countries in transition were adequately reflected in the first two chapters and he hoped that the third chapter would also respect the principle of universality and that measures proposed to enhance the effectiveness of international cooperation for sustainable development would take into account the interests of all countries without exception.

42. Mr. KEBEDE (Ethiopia) commended the Working Group on its efforts since the forty-ninth session of the General Assembly. The agenda for development should focus on the goal of achieving a substantial and rapid improvement in the economic and social conditions of impoverished nations. It must focus on key factors responsible for the gap between wealthy and poor nations and should propose concrete policies and action to ensure a balanced and comprehensive approach to development. Among the key issues which should be addressed were poverty eradication, global macroeconomic policy coordination, industrial development, economic diversification and the development of infrastructures, improved resource flows, including debt relief; commodities policy; human resource development and capacity-building.

43. The success of the proposed agenda for development would require a sustainable, predictable and incremental flow of resources. In addition to foreign direct investment and official development assistance, the agenda should

call for innovative methods of mobilizing resources. The ideas raised in the report of the Independent Commission on Population and Quality of Life concerning such mechanisms deserved close consideration in that regard.

44. The effective implementation of an agenda for development required appropriate institutional, follow-up and assessment mechanisms. The institution involved must be development-oriented, democratic and flexible. Follow-up and assessment mechanisms must be adequate and specialized in order to ensure that growth and development in the developing countries, in particular the least developed among them, occurred in the shortest possible time. The mandate of the United Nations in the development and economic spheres should be fully exercised in that regard. The General Assembly and the Economic and Social Council should be accorded more leadership responsibilities on development policy issues.

45. The General Assembly, as the highest intergovernmental organ, could effectively perform the follow-up and assessment functions required. The revitalized Economic and Social Council should be adequately equipped to enable it efficiently to fulfil its mandate. Similarly, the regional economic commissions should be strengthened and consolidated.

46. The time had come to reform the Bretton Woods institutions and to define their role in the implementation of the agenda for development. There was an immediate need to democratize their governance and decision-making processes, in particular, in order to meet the specific needs of developing countries. Their activities should be harmonized and coordinated with those of the United Nations and their complementary role in the promotion of international cooperation for development pursuant to Articles 57 and 63 of the Charter of the United Nations should be enhanced.

47. Mr. ELTINAY (Sudan) said that the proposed agenda for development should complement the Agenda for Peace. The divisive policies of the colonialist era had imposed psychological, cultural, economic and social obstacles which had profoundly affected newly independent States for decades. Those obstacles could be surmounted only through development. The World Conference on Human Rights had been an important turning-point because it had proclaimed that the right to development was a fundamental human right. It was a source of concern that efforts were being made to deprive certain victimized States of their right to development on the pretext that instability impeded the development process. In his own country, development assistance had been halted despite the fact that the Government and rebel forces had been negotiating a peaceful solution to the problems in the southern part of the country. The agenda for development should emphasize that the right to development was an inalienable human right, the violation of which constituted a violation of international human rights instruments.

48. Calls for the adoption of a market economy and more open economies should be coupled with policies which restored confidence in international economic relations and an emphasis on the importance of partnership for development. The appropriate United Nations machinery should be strengthened in order to enable it to shoulder its responsibilities with respect to the implementation of the agenda. His delegation favoured the convening of an international conference on

all aspects of development in order to ensure the successful implementation of the conclusions and resolutions adopted at various recent international conferences on social issues.

49. Mr. JAREMCZUK (Poland) said that his delegation had from the outset been in favour of altering the institutional structure of the United Nations system in order to enable it to play a more creative role in efforts to achieve sustainable development. It welcomed the new language proposed by the Vice-Chairmen of the Ad Hoc Open-ended Working Group on An Agenda for Development with respect to the special problems and features of countries with economies in transition. In addition to confirming the realities of the transformation process, the new proposed text revealed the support of the international community for the general direction of the economic reforms under way in those countries and observed that the integration of Central and Eastern Europe into the world economy would enhance economic cooperation by enabling developing countries to benefit from scientific and industrial know-how provided by the countries in transition.

50. With regard to chapter III of the proposed agenda, relating to institutional issues and follow-up, his delegation supported a new approach to international cooperation for development designed to meet the expectations of all involved, including the least developed countries. It also favoured an enhanced role for the United Nations in promoting international cooperation for economic and social development, to be exercised principally by the General Assembly and the Economic and Social Council. His delegation was in favour of strengthening cooperation and clarifying the division of labour among all partners in the development process, in particular, the United Nations system, the Bretton Woods institutions and the World Trade Organization. The prompt implementation by Governments of the outcomes of the recent major conferences held under the auspices of the United Nations would also serve to further such cooperation.

51. Mr. SINON (Malaysia) said that his delegation was concerned at the tendency of some countries in the discussions on an agenda for development to focus more on restructuring than on specifically addressing the broad problems of development. It was imperative that the agenda for development address the serious plight of the substantial majority of the world's population, which lived in poverty and had to fight daily just to survive.

52. His delegation was in favour of the reform and revitalization of the global system in the economic, social and related fields. In order to secure global peace and prosperity, it was essential to close the widening gap between the developed and developing countries and to ensure that development was equitable and sustainable. The United Nations system should play the central role in that reform process. All the players must be involved: Governments, multilateral agencies, non-governmental organizations and the private sector. The role and contribution of the latter must be given appropriate recognition in the agenda for development.

53. Rapid globalization and integration had presented new opportunities and challenges which had left some countries further marginalized and others increasingly vulnerable to the vagaries of fluctuating capital flows and sudden

shocks caused by the need to make structural adjustments. The new global system must address those problems and must avoid imposing conditionalities or resorting to unilateral restrictive measures. Countries must regard one another as partners in progress rather than as adversaries or competitors, and the commitments agreed to at various recent international conferences must be honoured. It was particularly refreshing to note that the European Union had made a serious commitment to meet the target of allocating 0.7 per cent of gross national product to official development assistance. His delegation hoped that the member States of the European Union and other developed countries would fulfil that commitment as soon as possible.

54. The reform of the Bretton Woods institutions was a priority and should focus on their governance structure, which should reflect new global realities and the increasing contributions of new and emerging economies to global production and trade. Those institutions should not function merely as lending institutions but should also address development issues. The United Nations must spearhead that reform process, which also should address the global process of macroeconomic decision-making. The views of the developing countries must be heard as well.

The meeting rose at 12.15 p.m.

UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

SECOND COMMITTEE
15th meeting
held on
Thursday, 26 October 1995
at 10 a.m.
New York

SUMMARY RECORD OF THE 15th MEETING

Chairman: Mr. PETRESKI (The former Yugoslav Republic of Macedonia)

CONTENTS

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL

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The meeting was called to order at 10.20 a.m.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (A/50/3, A/50/126, E/1995/20, A/50/126/Add.1-E/1995/20/Add.1, A/50/132, A/50/179-E/1995/57, A/50/180-E/1995/61, A/50/213-E/1995/67, A/50/262-E/1995/69; A/C.2/50/L.3 and L.4)

1. Mr. BERTROZZI (World Health Organization (WHO)), introducing the report of the Director-General of WHO on progress in the implementation of the global AIDS strategy (A/50/179-E/1995/57), said that it was divided into three main sections. The first consisted of an overview of the AIDS epidemic as of mid-1995 while the second dealt with activities carried out in 1993-1994 by the WHO Global Programme on AIDS and summarized the activities undertaken by the Organization's two main divisions, the technical cooperation division and the division on research intervention and development.

2. Highlighting the work carried out by the units of those divisions, he noted that the health care and support unit had been shifting its substantial focus towards in-home and community care for persons living with HIV/AIDS, while the surveillance evaluation and forecasting unit had been monitoring sentinel HIV surveillance and supporting HIV surveillance programmes in 80 developing countries. The clinical research and product development unit had been focusing primarily on the development of vaginal microbicides aimed at preventing the transmission of HIV and other sexually transmitted diseases. The vaccine development unit had, for its part, been working on the development of vaccine evaluations at sites in Brazil, Uganda and Thailand and on the development of a network for characterization of viruses world wide.

3. The sexually transmitted diseases unit had, for the first time, prepared regional estimates of the incidence of the major sexually transmitted diseases that were curable - gonorrhoea, syphilis and chlamydia and had developed a syndromic approach to treatment which was now being disseminated through a training course on syndromic management at peripheral levels of the health care system.

4. The third section of the report contained reports from organizations and agencies of the United Nations system, including the five other co-sponsors of the new United Nations AIDS Programme, the United Nations Children's Fund (UNICEF), the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), the World Bank and the United Nations Educational, Scientific and Cultural Organization (UNESCO).

5. Mr. METTALAMA (Joint Inspection Unit) introduced document A/50/126-E/1995/20, containing the first report of the Joint Inspection Unit (JIU) on communication for development programmes in the United Nations system, and document A/50/126/Add.1-E/1995/20/Add.1 containing the comments of the Administrative Committee on Coordination (ACC) thereon. The JIU report reflected increasing awareness at the international and national levels of the importance of communication, which it viewed as a conceptual notion in its own right. Communication was a dynamic two-way process involving active popular participation, as contrasted with information, which was a one-way technique for

the dissemination of knowledge. The recommendations contained in the report were designed to improve communication in development programmes, and suggested better tools to make communication more effective, called for regular inter-agency cooperation without additional bureaucracy, and were intended to improve coordination.

6. The report had been discussed by ACC, the Economic and Social Council, the Executive Board of UNESCO and the Committee for Programme and Coordination (CPC). ACC had supported the report's conclusions and recommendations. The Executive Board had in particular supported those conclusions relating to public information and communication functions, coordination between communications operations at Headquarters and in the field, the participation of the beneficiaries of development and two-way communication strategies.

7. Concern had been expressed that new layers of bureaucracy would be established if the JIU's proposal in recommendation 4 (b) to establish a communication coordinating committee at the country level was accepted. However, he had concluded from his on-site research that existing arrangements in the field were not adequately structured to coordinate communication in development programmes. He did not agree with ACC that the Joint United Nations Information Committee (JUNIC) could assume responsibilities for communication. That alternative would cause confusion between information and communication, and the distinction between the two was the foundation of the report. JUNIC participants were experts on information, while communication required, for the reasons explained in the report, different qualifications and expertise. As to the observation by some CPC representatives that the report should have addressed the role of telecommunications technology more thoroughly, he emphasized that the report's purpose had been to examine the "notional" aspect of communication, which should not be confused with the technical tools and the media aspects. An examination of informatics technologies would have been a diversion from the objectives of the investigation. ACC's general comments were well focused in that regard.

8. As to recommendation 11 on the importance of communication in peace-keeping operations, ACC and UNESCO had appreciated the innovative application of communication to humanitarian assistance and peace-keeping operations. CPC, on the contrary, had expressed reservations in that regard. In his view, the justification for extending the notion of communication to peace-keeping operations lay in the direct link between peace and development. Peace-keeping operations had in numerous instances laid the groundwork for peace-building, in which development played a substantial role. Communication could not be ignored at that stage and at subsequent start-up phases of peace-building operations. The Department of Peace-keeping Operations had agreed that more attention should be focused on ensuring adequate communication with regard to such operations.

9. Mr. TOBY (Director, Division for Policy Coordination and Economic and Social Council Affairs of the Department for Policy Coordination and Sustainable Development), referring to the working relationship between the Council and the Assembly, said that the problem of multiple consideration needed to be addressed, particularly in view of the emerging trend whereby the Council's high-level and coordination segments were serving as preparatory bodies for the Assembly. Any review of that relationship should look into whether the Council

should not normally be expected to dispose of most matters before it in accordance with its Charter authority and the relevant General Assembly resolutions and limit its preparatory role to a few identifiable areas.

10. Recent experience indicated that Member States were still not fully satisfied with the Council's working methods and organization of work. Among the areas on which attention had focused was the length and spacing of the substantive session. One possible solution to the problems that had emerged would be to have the Council maintain one substantive session a year but to split it into two segments: a broadened high-level segment, which would also incorporate the coordination and operational activities segments, and a general segment, which would enable the Council to focus on its overall guidance, monitoring and management role. The Council would thus hold one organizational session, one resumed organizational session and a substantive session divided into two focused segments.

11. It had become clear that in order for the results of the high-level segment to have any policy resonance, the issues of choice of theme, outcome and follow-up needed to be further addressed. Themes could be divided into two categories, those deriving from the role of the Council in the area of policy integration and those encompassing urgent and emerging issues. On the matter of outcome and follow-up, the extent to which the summary of the President of the Council had an impact required close examination. With regard to the coordination segment, he noted that the Council had decided in its agreed conclusions 1995/1 to select the theme related to the follow-up to conferences one year in advance so as to allow for adequate preparations; the other theme for the coordination segment would continue to be selected the same year it was to be considered. The Secretariat continued to hold the view that it would be preferable if both themes were decided a year in advance.

12. With regard to the operational activities segment, he noted that the conduct and organization of the high-level part of the segment required further examination as it was proving difficult to select a single theme which fostered a development dialogue at ministerial level. The exchange of views with the heads of the specialized agencies and programmes and funds of the United Nations was another area needing improvement. It had developed into a dialogue between the Council and the executive heads of the programmes and funds of the United Nations and would benefit greatly from the involvement of executive heads of other organizations. Despite the directive contained in General Assembly resolution 48/162, the Council had yet to position itself to carry out its overview functions effectively, set priorities or integrate the policies and activities of the programmes and funds.

13. With regard to the general segment, it offered the only opportunity for the Council to carry out its responsibility of reviewing, monitoring and integrating the work of its subsidiary bodies.

14. With regard to the subsidiary machinery in the economic, social and related fields, Member States might wish to consider whether the current arrangement, whereby most matters dealt with by the Council were brought to the attention of the General Assembly and the work of most bodies of the Assembly were also brought to the attention of the Council was really cost-effective.

15. The roots of the documentation crisis in the United Nations were systemic. While more efficient use of technological innovations and more effective planning on the part of the Secretariat could help ease the problem, it was unlikely that the documentation crisis would abate as long as the number of bodies and meetings continued to increase.

16. Introducing the report of the Secretary-General on progress made in providing safe water supply and sanitation for all during the first half of the 1990s (A/50/213-E/1995/87), he noted that in order to achieve full water supply and sanitation service coverage by the year 2000, the rate of progress would, in most cases, have to be much higher than at present. The situation was particularly serious in Africa, where an estimated 180 million people lacked access to safe water and some 462 million lacked access to sanitation, and in the Asia and Pacific region, where only 15 per cent of the population was reported to receive suitable services, leaving some 1.8 billion people lacking access to sanitation.

17. It had become evident that provision of water supply and sanitation services for all could not depend exclusively on public investment. Significant acceleration in the provision of services could only come about with the active involvement of the private sectors, local communities and through the generation of financial resources through cost-recovery measures. The situation was particularly critical in connection with the generation of an effective demand for sanitation services, where the neglect of the needs of the urban and rural poor was most evident.

18. Mr. MENENDEZ (Spain), speaking on behalf of the European Union, said that in spite of the successive reforms of the Economic and Social Council and, in particular, those brought about by adoption of resolutions 45/264 and 48/162, the Council still lacked any real capacity for evaluating or influencing the operations of the United Nations machinery. The high-level segment devoted to the development of Africa had been disappointing. The role of that segment should be reinforced through improved methods for selecting the theme, a more focused dialogue with the heads of the international and trade institutions on the basis of a joint report and by giving more weight to the conclusions of the segment. The operational activities segment had shown improvements but further work was needed in the preparation of the high-level part of that segment so as to encourage broader ministerial participation. Moreover, practical steps such as the one put forward by the European Union in its contribution to chapter III of the proposed agenda for development would be necessary to further enhance that segment.

19. The agreed conclusions relating to the coordinated follow-up to and implementation of the results of major international conferences in the economic, social and related fields in the framework of the coordination segment were a significant step forward for a better coordination of the United Nations system and could contribute to a more integrated and efficient implementation of the outcome of the recent cycle of relevant United Nations conferences. Those conclusions should be implemented expeditiously. The European Union believed that, in view of the coordinating role assigned to the Council under the Charter of the United Nations, the effective functioning of the coordination segment was of the utmost importance. With respect to the general segment which continued

to work inadequately, a radical streamlining of its agenda was necessary to enable it to review in depth the recommendations of the Council's subsidiary bodies. The Council should also ensure the harmonization and coordination of the agendas and multi-year work programmes of the functional commissions by promoting a clearer division of labour among them and by providing clear policy guidance.

20. Mr. MELEKH (Russian Federation) said that the Council's role of coordination within the United Nations system had become more tangible. The agreed conclusions emerging from the coordination segment should enable the United Nations system, including the Council and its subsidiary bodies, to address and resolve problems more directly. Consideration should be given to the role of the Committee for Programme Coordination under the new conditions. The absence of appropriate interaction between the Council and the Committee hindered the Council from carrying out its functions as the major coordinator in the United Nations system. It would be advisable to institutionalize brief working sessions of the Council devoted to matters of coordination and the work of individual segments of the substantive section.

21. While the importance of the high-level segment had been confirmed, long, drawn-out political statements had diminished its effectiveness. In future, themes for discussion should be chosen at least a few months before the substantive session, preferably the preceding year. The Council had yet to develop an effective format for dialogue with heads of the Bretton Woods institutions and the World Trade Organization. Dialogue within the high-level segment could gain if it were more thorough. Statements by heads of delegations should be strictly limited, for example, to seven minutes. The triennial review should include a segment devoted to development operational activities which would make it possible to carry out a dialogue with the administration of all the operational funds and programmes. A high level of representation at such meetings could be guaranteed if they were scheduled just prior to the dialogue with heads of institutions.

22. Ms. YANG Yanyi (China) said that no further attempts at reform should be made until there had been a general review and analysis of the restructuring and revitalization process. Haste would only create confusion. Revitalization of the Council's work should be based on the mandates defined in the Charter of the United Nations and in the relevant resolutions as well as on the objectives and tasks set out by the recent international conferences relating to development. The ultimate aim was to enhance international economic cooperation and promote development in the developing countries. Streamlining of the Council's functions and pursuit of cost-effectiveness should not be carried out at the expense of important organs. Such an approach would weaken the United Nations capacity to promote economic growth, sustainable development and social progress. Member States should demonstrate their political will by increasing their financial input into development.

23. She expressed concern at the fact that proposals by Member States for increasing the transparency of the Secretariat's activities had been given scant regard; at the same time, there was a tendency to weaken the role of the Council and its members. Improving the work of the Secretariat was just one aspect of the question of increasing efficiency; it should not result in a restriction of

Member States' responsibilities. The United Nations was an intergovernmental organization and its work should reflect Member States' commitments and serve their overall interests.

24. Mr. MODOUX (United Nations Educational, Scientific and Cultural Organization (UNESCO)), referring to the report contained in document A/50/126, said that it was vital to strengthen the role of communications in projecting United Nations institutions but, above all, in supporting and promoting the Organization's activities and programmes to the communities for whom they were intended, in order to enlist their cooperation and active participation. Communications were especially relevant in the area of development where, more often than not, programmes were imposed arbitrarily from above without any opportunity for the communities concerned to express their views. Highlighting the recommendations which, in his view, required priority action he said that a "communications" component should be incorporated into all future strategies or programmes in order to take into account the views and aspirations of those for whom they were intended so as to create a climate of trust through dialogue. Traditional forms of communication such as story-telling, theatre, or puppetry could be used to get the message across. Secondly, a small group of communications specialists could be set up within the Organization who could be sent out into the field to work alongside national or regional managers familiar with local customs and traditions. Lastly, all programmes should include a "communications" component; that would be justifiable in view of the high overall investments at stake. His agency, which had a fair amount of experience in the area of communications for development, would be willing to study the proposal further. Communications programmes were already being used to further basic education, consolidate peace in the former Yugoslavia, Rwanda and Burundi and promote democracy and human rights. He suggested conducting a pilot communications project to assess the value of such a practice.

25. Mr. BEHBEHANI (World Health Organization (WHO)) stressed the importance of the fight against malaria in developing countries, particularly in sub-Saharan Africa where 90 per cent of cases occurred, claiming the lives of one million children a year. The 1992 Ministerial Conference at Amsterdam had adopted a global malaria control strategy which galvanized international and institutional support for control of the disease. WHO had worked with the agencies concerned to develop a plan of action comprising four main elements: gaining global political support for a malaria control strategy; working with national organizations to bring their policies into line with the global strategy; providing training for health service staff and other personnel; and securing additional programme funding. Having secured international political support for the plan, WHO had helped 35 African States devise action programmes, 10 of which were currently at the implementation stage. Training had been offered to thousands of staff in various countries and an assessment of global training needs was under way. Moreover, additional funding had been provided by donor States and others. WHO was determined to continue working with all concerned parties in the ongoing struggle against the disease.

26. Mr. CACCIAGUERRA (Italy) welcomed the comments of the Administrative Committee on Coordination on the report of the Joint Inspection Unit, contained in document A/50/126/Add.1-E/1995/20/Add.1. Improved communications systems did indeed play an important role in development and the provision of humanitarian

assistance. The United Nations agencies should develop a systematic approach to training communications personnel, with discussions on the agenda for development and reform processes focusing on improved communications systems as a means of enhancing the Organization's effectiveness.

27. Mr. AL-KHATIB (Syrian Arab Republic) said that the Secretary-General's report on the social and economic effects of Israeli settlements on the Palestinian people in the Palestinian territory and the Arab population of the Syrian Golan (A/50/262-E/1995/59) had clearly shown that Israel continued to install and enlarge Israeli settlements in the occupied Syrian Arab Golan, an area which it had annexed in contravention of the principle of non-acquisition of territory by force, in violation of Security Council resolution 497 (1981).

28. The report provided evidence of Israel's determination to ignore the interests of the Arab citizens of the occupied Syrian Arab Golan and their right of access to natural resources there. In 1994, the Israeli Minister for Industry had declared Israel's Golan policy a matter of top national priority. Furthermore, the Judaization of Arab place names and the use of names taken from the Torah for the settlements in the occupied Syrian Arab Golan constituted a clear attempt to give a Hebrew identity to occupied Syrian Arab territory.

29. On the pretext of security, Syrian citizens in the occupied Syrian Arab Golan had had their land taken from them, had been prevented from marketing their crops and had been robbed even of well and rain water. Denied a range of health, educational and other public services, they were the victims of a clear policy of discrimination in favour of new Jewish settlers who had been lured into settling in the occupied Syrian Arab Golan. The Israeli Government had further tried to impose Israeli nationality on Arab citizens in the area by depriving them of an Arab education, censoring schoolbooks and imposing the Hebrew language. Those actions and Israel's consistent refusal to comply with international calls for an end to human rights abuses illustrated that country's blatant disregard for international law and for conventions on the protection of persons living under occupation.

30. Ms. REBONG (Philippines), speaking on behalf of the Group of 77 and China, expressed concern over the continuing deterioration of the quality of water and sanitation services in rural parts of developing countries, which was highlighted in the Secretary-General's report (A/50/213). It was clear that poverty was a major contributing factor to poor water quality and the eradication of poverty had to go hand in hand with increased financial assistance for water sanitation projects if a serious water crisis in developing countries was to be averted. Donor Governments, international financial and development institutions and non-governmental organizations should respond favourably to requests for grants and concessional financing of projects aimed at improving sanitation and sewerage and waste water treatment.

31. The United Nations, bilateral development agencies and non-governmental organizations had a vital role to play in the fight against malaria and cholera in developing States, while the World Food Programme was of central importance in guaranteeing food security. The Group supported a target of $1.3 billion in contributions for the Programme for the period 1997-1998 and hoped that a pledging conference would be held in 1996.

32. Mrs. HOMANOVSKA (Ukraine) said that much positive work had been done on the revitalization and restructuring of the Economic and Social Council since the adoption of Assembly resolution 48/162, and that the importance of the high-level segment had been demonstrated. The main theme of the high-level segment should be chosen well in advance, and discussions at the high-level segments should be accompanied by action-oriented decisions. The Council should carry out an annual review of work done on social and economic programmes, and transmit the findings to the General Assembly. It should give priority to greater coordination between the United Nations and international institutions with regard to development programmes, while leaving more time at high-level meetings for the operational activities segment, with the active involvement of the agencies. The coordinating role of the Council should be enhanced, and the office of the resident coordinator should be strengthened, allowing for a more effective alignment of country strategies.

33. With regard to the general segment of Council meetings, the number of resolutions and decisions should be reduced, and more time should be accorded to certain issues which needed to be discussed individually rather than clustered together with other items. The regional economic groups had done important work, and the Economic Commission for Europe merited particular praise in view of the help it had given to transition States.

34. Overall, there was no need for radical reform of the Council, but rather for more systematic exploitation of existing structures and resources. As the powers of subsidiary and regional bodies had been broadened, there should be a review of their mandates, to facilitate their greater cooperation with the major international institutions.

35. Mr. FLORENCIO (Brazil) said that his delegation attached the utmost importance to efforts to make the work of the United Nations in the field of development more meaningful and believed that efforts to strengthen cooperation for development should be given the same attention as efforts to improve performance in the area of peace and security. Although the General Assembly remained the highest organ providing policy guidance on development issues, the need for a representative body with limited membership which could focus on specific economic and social issues could not be underestimated.

36. The Economic and Social Council had a central role to play in ensuring effective and coordinated follow-up to United Nations conferences. The functional commissions also played a crucial role in such follow-up and in areas constituting the core of United Nations activities in the economic and social field, and their composition, programme of work and working methods should be revitalized.

37. The Council should be called upon to play a greater role in addressing macroeconomic policy issues. A reformed Council exercising an essentially deliberative role could assist the General Assembly in addressing central economic issues such as trade, finance and technology. To that end, the Council should develop a closer and more focused dialogue with the Bretton Woods institutions, the World Trade Organization (WTO) and the specialized agencies. In order to embark on that dialogue, the Council must make more efficient use of United Nations expertise on economic issues, which would be accomplished only if

the level of substantive discussions thereon improved. To that end, greater interaction among bodies with technical competence on macroeconomic issues and closer interaction between delegations and those technical bodies were required. The latter objective should be achieved through informal initiatives, such as briefings, hearings and brainstorming sessions, to debate central economic issues. Those initiatives would also benefit from inputs from universities, the private sector and non-governmental organizations and would stimulate a more concrete and focused debate, particularly on macroeconomic issues. Such meetings would require virtually no additional expenses.

38. In conclusion, he said that the political commitment to engage in constructive dialogue on the reform of the United Nations in the social and economic fields was a prerequisite to achieving the goal of revitalizing the role of the United Nations in the field of development.

39. Mr. HAMID (Sudan) said that his delegation fully subscribed to the comments made by the representative of Syria.

40. Turning to the report of the Secretary-General on preventive action and intensification of the struggle against malaria in developing countries, particularly in Africa (A/50/180), he said that it was comprehensive and demonstrated the concern of the international community regarding epidemics of disease. He welcomed the strategic approach to combating persistent epidemics that was reflected in the goals to be achieved by the end of the current century. The contribution of WHO and other specialized agencies in operational activities to control malaria and other diseases was greatly appreciated and should be encouraged.

41. Malaria continued to be a major health problem in his country and claimed many lives each day. An infant mortality rate of 89 per 1,000 had prompted the Government to attach the highest priority to controlling the disease. The meagre resources available for that purpose fell far short of the requirements.

42. In response to relevant General Assembly and Economic and Social Council resolutions, his Government had elaborated a project proposal on malaria control, which had subsequently been revised in the light of input from WHO and on the basis of the principles of the revised Global Malaria Control Strategy. It was estimated that the implementation of the proposal would require US$ 39.8 million for the first biennium, and a total of US$ 103 million for the six-year duration of the project. In keeping with the Global Strategy, insecticide use would be kept to a minimum. He drew attention to paragraphs 27 and 28 of document A/50/180 and said that his country met the criteria outlined for selecting the countries which would receive national control programme support.

The meeting rose at 12.30 p.m.

UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

SECOND COMMITTEE
16th meeting
held on
Thursday, 26 October 1995
at 3 p.m.
New York

SUMMARY RECORD OF THE 16th MEETING

Chairman: Mr. PETRESKI (The former Yugoslav Republic of Macedonia)

CONTENTS

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued)

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15 November 1995
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95-81801 (E)

The meeting was called to order at 1.15 p.m.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (continued) (A/50/3, A/50/126-E/1995/20, A/50/126/Add.1-E/1995/20/Add.1, A/50/142, A/50/175-E/1995/57, A/50/180-E/1995/63, A/50/213-E/1995/87 and A/50/262-E/1995/69; A/C.2/50/L.3 and A/C.2/50/L.4)

1. Mr. SOBHAN (Bangladesh), speaking on the development of Africa, the theme of the recent high-level segment of the Economic and Social Council, said that one of the priorities of the international community was the implementation of the United Nations New Agenda for the Development of Africa in the 1990s and the Programme of Action for the Least Developed Countries for the 1990s. With respect to the latter, the High-level Intergovernmental Meeting on the Mid-term Global Review had made recommendations on trade, external finance and debt which needed to be urgently implemented. Given that during the previous year 95 per cent of all direct investment had gone to a dozen or so developing countries, while 90 other countries had received only 1 per cent of that investment, Bangladesh believed that a more action-oriented approach was needed to greatly increase foreign direct investment in the least developed countries. To that end, efforts should be made, by offering appropriate fiscal incentives, to persuade transnational corporations to take advantage of the various facilities available in most of the least developed countries. As various organs of the United Nations system, such as the United Nations Industrial Development Organization, the United Nations Conference on Trade and Development and the United Nations Development Programme, as well as the World Bank, were each trying separately to encourage direct foreign investment in the developing countries, there was clearly a need for a coordinated and structured approach if optimal results were to be achieved.

2. The issue of safe water supply and sanitation was extremely important to Bangladesh. It was important to understand that the objective of providing safe water and sanitation to the millions of people throughout the world who lacked them could only be achieved by eradicating poverty. The recommendations contained in chapter 18 of Agenda 21 and those agreed on at the second session of the Commission on Sustainable Development must be urgently implemented. In order to prevent a water supply crisis, adequate financial resources must be mobilized, using all available mechanisms. The recurrent floods from which Bangladesh suffered made it difficult to supply drinking water, while in recent years the water shortage in the northern region of the country meant that underground water levels had gone down. For Bangladesh, therefore, regional and international cooperation in that area was vital.

3. An issue which deserved special attention was the follow-up to major international conferences in which the concept of development was the common link. It was important to have a framework for a global partnership of development, within which the follow-up could be coordinated at the intergovernmental, inter-agency and country levels. At the country level, inclusion in development plans of priority action recommended by conferences must be the direct responsibility of the Government of each country. At the inter-agency level, the Economic and Social Council could identify crucial issues that required regular policy reviews in the Second and Third Committees

of the General Assembly. The United Nations system could play an effective role in reviewing progress in the implementation of the recommendations of the conferences. Functional commissions and regional commissions should also play a more proactive role in that respect, and the Economic and Social Council could enhance coordination with them and among them. Greater cooperation and coordination between the Council, the Committee for Programme and Coordination and the Administrative Committee on Coordination were essential for system-wide coordination. At the international level, Bangladesh had already proposed that the G7 leaders should meet the heads of State and heads of Government of the least developed countries to review the implementation of the Programme of Action adopted at the World Summit for Social Development and the decisions adopted at the Rio Summit, the Beijing Conference and the Cairo Conference, with special emphasis on the eradication of poverty.

4. Bangladesh believed that better coordination between the United Nations and the Bretton Woods institutions was vital in the follow-up to the major international conferences and other agreements and commitments contained in internationally negotiated instruments. The relationship between the United Nations and the Bretton Woods institutions should be viewed in terms of the democratization of the decision-making system and achieving greater transparency in those institutions. The same was true for the World Trade Organization. Bangladesh urged those institutions to take far-reaching measures to expand investment in the social sectors of the developing countries.

5. Bangladesh believed that, given the greater complexity of the pressing problems of development, the coordinating authority of the Council needed to be enhanced. The discussions of the open-ended ad hoc working group on an agenda for development and the recently established working group on the strengthening of the United Nations system would strengthen the role of the Council, but the successful conclusion of the process of reform and adjustment would require the political will of all those present, and particularly of their partners in development.

6. Mr. KIM (Republic of Korea) said that although the experiences of the past four years showed that the true potential of the high-level segments of the Economic and Social Council had not yet been fully realized, the theme selected for that segment at the substantive session of 1995 had been timely and appropriate. Various proposals had been made to help resolve the problems of development in Africa, which tested international cooperation for development and the ability of the United Nations, and in particular of the Economic and Social Council, to promote it. His delegation congratulated the Bureau of the Council for arranging in that context two informal discussions on the high-level theme and the revitalization of the Council.

7. In the preceding six years, six major conferences had been held to meet the challenges posed by many economic and social issues. It was therefore timely that the Economic and Social Council had discussed a coordinated follow-up of the results of those conferences. Korea supported the conclusions it had reached, in particular that it should review the themes common to the major conferences and the implementation of the programmes of action arising out of them. It should also ensure the harmonization and coordination of the agendas and work programmes of subsidiary bodies, including the functional commissions,

by promoting a clear division of labour among those bodies and providing clear policy guidelines for them. Korea believed that the Council should call periodic meetings of the officers of the subsidiary bodies and supported a recent proposal by the Secretary-General that the Council should review their mandates. Reporting was also important to ensure effective follow-up. The possibility of integrated reporting should be explored, and reports should be concise, clearly indicating the issues and possible actions and their implications.

8. Mr. RASHKAJIEV (Bulgaria) said he shared the view that the Economic and Social Council should enhance its capacity to provide policy guidance, take decisions and react promptly to critical developments in the economic, social and developmental fields. Streamlining its activities in compliance with the relevant resolutions of the General Assembly, in particular resolution 48/162, was of special importance.

9. Bulgaria expressed its satisfaction that during the substantive session in 1995, a central theme of the high-level meetings had been the development of Africa, including the implementation of the United Nations New Agenda for the Development of Africa in the 1990s. That was a priority issue requiring international solidarity.

10. Bulgaria supported efforts under way to enhance interaction between the Economic and Social Council and the Bretton Woods institutions. It deemed especially important the high-level policy dialogue in which the executive heads of the major multilateral financial and trade institutions had participated for the first time. Bulgaria shared the view that the organizational model of those policy dialogues should be improved to make them more result-oriented.

11. Concerning follow-up of the results of the major international conferences, Bulgaria shared the opinion that the Economic and Social Council should promote a coordinated, integrated approach. It also felt that the conference follow-up theme to be considered at the coordination segment should be chosen at the previous substantive session of the Council in order to allow for adequate preparation by the functional commissions, other relevant intergovernmental bodies and the Secretariat. In the follow-up to United Nations conferences, the Council should ensure the harmonization and coordination of the agendas and work programmes of the functional commissions by promoting a clearer division of labour among them and by providing clear policy guidance to them. The Council should also ensure the coherent implementation of recommendations emanating from recent major United Nations conferences. Compiling those recommendations, arranging them by order of importance and at least proposing national schedules for putting them into effect should proceed promptly. Agenda 21 could provide a common framework, complemented by the programmes of action produced by the International Conference on Population and Development, the World Summit for Social Development, the recommendations of the World Conference on Women and the results of the upcoming Habitat II. No more United Nations conferences should be planned until the results of the recent conferences had been studied and applied.

12. The operational activities segment should be aimed at providing coordination and guidance in order to improve the overall quality and

effectiveness of the system and to promote an integrated approach. The policies formulated by the General Assembly, particularly during the triennial policy review, should be implemented on a system-wide basis. Bulgaria commended the organization of the general segment, which had recognized the distinction between economic and social issues and had supported streamlining the work and strengthening the role of the functional commissions of the Economic and Social Council. It agreed that the mandates, composition and working methods of the functional commissions should be further reviewed, as appropriate, to enable them to achieve greater coherence and mutual reinforcement.

13. Mr. SINGH (India) stated that his delegation endorsed the recommendations on substantive aspects made in the report of the Economic and Social Council. It felt, however, that more should have been done to put into place an effective and revitalized mechanism and programme of work for follow-up to the World Summit for Social Development. Clearly the United Nations and the Economic and Social Council needed to play a more relevant and effective role in the multilateral economic dialogue. On the basis of discussions at the substantive session in Geneva, some areas for further improvement suggested themselves: follow-up to the high-level segment debate must be made more effective, and the President's summary must lead to an agreed conclusion and declaration or resolution. In the general segment, overclustering of items had hindered debate on specific issues. The recommendations of subsidiary bodies that needed specific endorsement and approval by the Council had not been clearly spelt out. The Committee should study the possibility of publishing an executive document listing recommendations from the various subsidiary bodies which required specific endorsement.

14. India believed that the Economic and Social Council could contribute to promoting coordination within the United Nations system by acting as a forum for its various bodies, funds and agencies. In order to do so the Council would have to follow more closely discussions in the regional commissions, UNIDO, UNESCO, FAO, WHO, ILO and other bodies.

15. India also believed that suggestions for improving the work of the Council should be pursued in the context of follow-up to resolution 48/162. It would certainly be prepared to work with others in enhancing the Council's work and impact, but the objectives should be clear: making the Council and the United Nations more effective, strengthening the participation of the developing countries in the international decision-making process and increasing intergovernmental oversight of the workings of the Secretariat.

16. Mr. DUGAN (United States of America) said that he would only comment briefly on the item under consideration, since the General assembly would soon take up agenda item 23 (Restructuring and revitalization of the United Nations in the economic, social and related fields). The plenary meetings of the General Assembly were the most appropriate forum for the in-depth discussion of issues related to the Economic and Social Council and, in particular, to the implementation of the further measures set out in resolution 48/162.

17. The July session of the Economic and Social Council had been satisfactory. In previous years, the practice had been to devote one month (May) to social issues and another month (July) to economic issues, whereas at the latest

session both sets of issues had been discussed in a single month. Another sign of improvement in the Council's methods of work was the fact that the debate on the issue under discussion had taken only one day instead of the usual two or three. That had been made possible by the Council's willingness to trust in the efficiency and competence of its subsidiary organs and to adopt their conclusions without re-examining the same issues. The United States supported that system and all other efforts to improve working methods still further, and agreed with the European Union that the key to enhancing the Council's effectiveness was to streamline procedures in order to avoid duplication of effort and other problems. During the high-level segment of the session, important statements had been made by the executive heads of the international financial institutions and, for the first time, by the Director-General of the World Trade Organization. The meetings on operational activities had also exemplified the useful reforms introduced by the Council, in that the heads of various funds and programmes had participated fully in the meetings and had answered questions raised by delegations. The United States applauded the enormous effort made by the national representatives during the coordination segment, and supported the results thereof. It also awaited with interest the full implementation of the outcome of the world conferences and the follow-up thereto. The biennial presentation of reports by subsidiary organs of the Economic and Social Council at the general segment seemed to be working well. It would be useful for those subsidiary organs or the higher level organs to be represented at the meetings so that they could speak to the Member States, which were their "shareholders", so to speak, and present their reports to them directly.

18. Mr. OJIMBA (Nigeria), after endorsing the statement made by the representative of the Philippines on behalf of the Group of 77 and China, said that, in the context of the reform and restructuring of United Nations bodies, it was urgent to examine the relationship between the Economic and Social Council and the General Assembly with a view to strengthening the Council's role. In that connection, the final outcome of the high-level segment of the substantive session held in Geneva in July 1995 on the item "Development of Africa, including the implementation of the United Nations New Agenda for the Development of Africa in the 1990s", had been very disappointing. In the report under consideration (A/50/3), the chapter on the high-level segment of the session merely lamented Africa's socio-economic development problems, and did not include any decisions or recommendations that could guide the General Assembly's further deliberations on the implementation of the New Agenda at its fiftieth session.

19. In the spirit of General Assembly resolution 48/162, Nigeria wished to seize the historic occasion of the fiftieth anniversary of the United Nations to call for a vigorous effort to strengthen the United Nations and its subsidiary organs, including he Economic and Social Council.

20. Mr. KAMANDO (United Republic of Tanzania), after associating himself with the statement made by the representative of the Philippines on behalf of the Group of 77 and China, said that his country was one of the develcping countries seriously affected by malaria, which took a heavy toll in terms of human life and suffering, particularly among infants and young children, schoolchildren, and men and women of working age, thereby contributing to the vicious circle of

disease, malnutrition and poverty. The United Republic of Tanzania was taking appropriate steps to implement the Global Malaria Control Strategy by formulating action programmes aimed at preventing and controlling the disease. However, those programmes could not be effective unless countries such as his own received the assistance they needed in the area of capacity-building, particularly in the acquisition of knowledge and skills, as well as appropriate technology for combating malaria. That called for increased cooperation in scientific research and the transfer of technology.

21. With respect to the 1995 substantive session of the Economic and Social Council, his delegation supported the views expressed by the representative of Spain, on behalf of the European Union, regarding the outcome of the high-level segment, which had focused that year on the United Nations New Agenda for the Development of Africa in the 1990s. His delegation had expected the Council to follow up its consideration of that important policy question with specific recommendations to the General Assembly that would serve as guidelines for the preparation of the mid-term review scheduled for the following year, but that had not occurred. Like other delegations which had referred to the issue, his delegation felt that, in recognition of the high-level segment role, its conclusions should be given more weight.

22. Mr. BELHIMEUR (Algeria) supported the statement made by the representative of the Philippines on behalf of the Group of 77 and China. With regard to the report of the Joint Inspection Unit on communication for development programmes in the United Nations system (A/50/126), he said that communication was essential to the success of any kind of activity and, in the current context of increasingly keen competition for markets, had become an indispensable tool for any administrator concerned about the future of his or her enterprise.

23. The Organization's mandates in the service of humanity were as diverse as they were important. It was therefore appropriate to ask what the target populations or States thought of those mandates. The report of the Joint Inspection Unit noted that, thus far, the issue had not received the attention it deserved. Algeria felt that a bolder, more imaginative or better organized communication strategy would have helped to prevent many misconceptions about the work of the United Nations and would have promoted a better understanding of its activities in areas such as development, peace-keeping and humanitarian aid.

24. The value of the JIU report lay in the fact that it put forward a number of recommendations to correct that situation and to give communication a suitably important role in all of the Organization's activities and initiatives. Better use of that vital component would also help to promote a freer-flowing dialogue with the peoples and Governments that benefited from United Nations activities and programmes. Moreover, better communication would help to improve the Organization's public image in donor countries, which were increasingly doubtful about the usefulness of the United Nations. It had already been recognized that the measures recommended in the report were well founded and that communication must be integrated into the operational strategies of the United Nations system. What remained to be considered was their viability.

25. Mr. AGGNA (Uganda) agreed with the general view that more weight should be given to the conclusions of the high-level segment of the 1995 substantive

session of the Economic and Social Council, which had focused on the development of Africa and the implementation of the United Nations New Agenda for the Development of Africa in the 1990s. The discussions at the high-level segment and the President's summary thereof would be very useful for following up on the issue. In that connection, he hoped that the participants in the current session would reach concrete decisions with a view to providing the legislative basis for action on the recommendations contained in that summary.

26. With respect to the report presented by the representative of WHO, his Government attached great importance to the fight against malaria and diarrhoeal diseases, especially cholera, and agreed with the report's recommendations calling for global commitment to the mobilization of resources for that purpose, the development of national strategies and plans for controlling those diseases, and extensive manpower training, especially for public health personnel. The implementation of the global AIDS strategy was also extremely important, since the rapid spread of the disease threatened to have catastrophic economic and social consequences. The international community must therefore keep track of those developments and redouble its efforts in that area.

The meeting rose at 4.20 p.m

UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

SECOND COMMITTEE
17th meeting
held on
Friday, 27 October 1995
at 10 a.m.
New York

SUMMARY RECORD OF THE 17th MEETING

Chairman: Mr. PETRESKI (The former Yugoslav Republic of Macedonia)

CONTENTS

AGENDA ITEM 100: RENEWAL OF THE DIALOGUE ON STRENGTHENING INTERNATIONAL ECONOMIC COOPERATION FOR DEVELOPMENT THROUGH PARTNERSHIP

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6 November 1995

ORIGINAL: ENGLISH

95-81807 (E)

The meeting was called to order at 10.20 a.m.

AGENDA ITEM 100: RENEWAL OF THE DIALOGUE ON STRENGTHENING INTERNATIONAL ECONOMIC COOPERATION FOR DEVELOPMENT THROUGH PARTNERSHIP (A/50/475, A/50/480 and A/50/518)

1. Mr. KHAN (Department for Policy Coordination and Sustainable Development), introducing the report of the Secretary-General on the subject (A/50/480), drew attention to the notion of interconnectedness, a central feature of the approach outlined in the report. Thus, the issue should be viewed in the larger context of the renewal of international economic cooperation for development, as well as the renewal and reform of the Organization itself, and it was closely linked both to ongoing work on the agenda for development and to the coordinated follow-up to major United Nations conferences.

2. In addition, the renewed dialogue should be conducted in a manner more relevant to concerns affecting people at large, thus making the United Nations more responsive to their problems. To that end, it should transcend the limits of the United Nations and its intergovernmental organs and be carried out in an open-ended process with the participation of regional intergovernmental organizations, non-governmental organizations and the academic and scientific community.

3. The themes addressed should be selected by Governments from among those most amenable to a renewed dialogue, as proposed in the report, based on partnership and mutual interest.

4. Mr. AGUIRRE DE CÁRCER (Spain), speaking also on behalf of the European Union, said that the European Union welcomed the Secretary-General's report and, in particular, the thematic approach which it proposed. In his view, the Committee's discussion of the issue could also be affected by its future discussions on the restructuring and revitalization of the United Nations in the economic, social and related fields and, for that reason, consideration of the issue should not be confined to a separate agenda item but incorporated into one of the related items.

5. Mr. ISAKOV (Russian Federation) said that the elaboration of the agenda for development was crucial for the strengthening of dialogue and partnership. For that reason, the issues addressed should respond to the interests of all countries and the dialogue itself should involve not only organizations of the United Nations system but also non-governmental organizations and the private sector.

6. With regard to the list of topics, he stressed that it could be expanded to include issues of global importance, such as, in particular, military conversion and the sustainable development of countries with economies in transition. At the same time, the selection of topics should be harmonized with the ongoing elaboration of the agenda for development. Finally, he agreed with the representative of Spain that careful consideration should be given to the possibility of considering the issue under other agenda items.

7. Mr. Dong Wook KIM (Republic of Korea) said that the United Nations must play a more active and central role in shaping the course of international development and that the United Nations Development Programme (UNDP) should assume a leading role. To that end its responsibility for coordinating development operations should be enhanced and its field offices strengthened; the process of decentralization should continue.

8. The United Nations, in particular UNDP, should reinforce its operational activities. The specific interests and potential of individual States and subregions should be taken fully into account in the formulation of policy guidance.

9. South-South cooperation should be considered an integral part of the strategy to breathe new life into international development cooperation. Economic and technical cooperation among developing countries would provide a stronger basis for self-reliance and development. Assistance from developed countries would help to revitalize South-South cooperation.

10. Lastly, his delegation strongly urged international organizations to provide forums for the sharing of the success and experiences of newly industrializing countries, as that would contribute to the capacity-building of the developing countries.

11. Mr. ALAVI (Islamic Republic of Iran) said that a full and balanced assessment of the challenges, opportunities, risks and uncertainties which characterized the current world economy was imperative in order to strengthen international cooperation in general, and international cooperation for development in particular.

12. He agreed with the Secretary-General that the agenda for development would have a direct bearing on the selection of themes for the pursuit of the development dialogue in the next phase. International cooperation for development should aim to create an international economic environment which facilitated the efforts of developing countries to achieve sustained economic growth and sustainable development. The concerns of developing countries regarding the formidable impediments to their development must be addressed. The themes for the desired dialogue included the following key issues: the adverse effects of the external economic environment on the development process, characterized by protectionism and unilateral action on the part of developed countries; the immediate elimination of coercive economic measures against developing countries; the deteriorating terms of trade for developing countries; the stagnation and decline of official development assistance; restrictions on access to technologies critical to development; the inadequate and arbitrary allocation of resources by international financial institutions; volatile financial flows to developing countries; instability in global markets and fluctuations in exchange rates; the widening income gap between developed and developing countries; macroeconomic policy coordination at the international level; transparency in the international economic decision-making process with full involvement of the developing countries; the expeditious implementation of agreed international commitments and targets regarding development; elimination of non-economic conditions for national economic cooperation; and cooperation

between the United Nations and the Bretton Woods institutions, including the World Trade Organization.

13. In accordance with Chapter IX of the Charter of the United Nations, the General Assembly was the highest intergovernmental mechanism for the formulation and appraisal of policy on economic, social and related matters, and it therefore was the main forum in which Governments should pursue the development dialogue. As to the modalities for conducting the dialogue, his delegation was in favour of convening a United Nations conference on the financing of development. Naturally, achievement of the international community's common ideals required a strong political commitment, in particular, by the developed countries.

14. Mr. SINGH (India) said that the initiative outlined in document A/50/480 provided an opportunity to advance the cause of development, effectively reorient the focus of United Nations development activities and to promote the central role of the United Nations in the development dialogue. He agreed with the statement in paragraph 10 that the themes to be dealt with in the dialogue should be "at the cutting-edge of international economic relations".

15. It was important, when selecting the themes, to avoid duplication with similar debates under way in other forums. The suggested themes of globalization and the rules of the game and new information technologies and the global economy should be the first to be taken up in the General Assembly. The themes of competition and regional integration and the global economy should be referred to the United Nations Conference on Trade and Development (UNCTAD), and the General Assembly could then consider the relevant UNCTAD report in 1997. A decision on whether to include the themes of international migration, prevention and management of emergencies and post-conflict peace-building and crime, drugs, violence and global stability should be taken at a later stage, since they were being discussed in other United Nations forums.

16. He endorsed the modalities proposed for the dialogue in paragraphs 43 and 44 of the report of the Secretary-General. The involvement of organizations outside the United Nations system also should set a precedent for their involvement in aspects of the work of the United Nations outside the economic and social sectors.

17. Ms. PACHTER (International Bank for Reconstruction and Development) said that the agenda of the International Bank for Reconstruction and Development (World Bank) reflected a determination to give development the prominence it deserved. At the annual meetings of the World Bank and the International Monetary Fund, the President of the Bank had called for poverty alleviation, protection of the environment, social justice, the strengthening of human rights and the advancement of women's rights. At a time when instability threatened many countries, a decrease in funding for the International Development Association, the source of bank development funds, would be dangerous.

18. The World Bank was building its United Nations partnerships in support of economic development and was exploring new areas. Its efforts included cooperation with other agencies with respect to post-conflict reconstruction and work to combat HIV/AIDS. The Bank stressed the importance of practical, on-site

cooperation between agencies based on the capacity and comparative advantage of the partners. The Bank would continue its useful dialogue with leaders of United Nations agencies, funds and programmes. Examples of such cooperation included the recent establishment of three World Bank/UNDP task forces to study in-country cooperation, aid coordination and complex emergencies.

19. The World Bank had been involved in the preparatory phase for various United Nations conferences, had attended them and was currently actively working on conference follow-up to and support of initiatives of the Secretary-General. She cited examples of those activities.

20. The work of the United Nations and its related bodies would not be effective without active partnerships with developing country Governments, non-governmental organizations and all elements of civil society, including the private sector.

21. Mr. WISNUMURTI (Indonesia) said that, while the concept and spirit of partnership had been widely embraced by the international community, the resulting agreements and commitments had not been fully translated into action. He therefore stressed the need to maintain the spirit of partnership at as high a level as possible during negotiations on global development issues.

22. With regard to the issues proposed by the Secretary-General for consideration in the dialogue, his delegation believed that the selection process should be harmonized with the ongoing elaboration of the agenda for development. In particular, the elements proposed by the working group for inclusion in the agenda should be taken into consideration in the selection of issues for the dialogue and, in the spirit of General Assembly resolutions 48/165 and 49/95, the dialogue and the agenda for development should be mutually interconnected.

23. Since the issues and themes selected should be relevant to all groups, particular importance attached to the issue of modalities; thus, preparations for the discussions should be broadened beyond the United Nations itself, to include other actors in the development process. For example, a high-level segment could be held at the beginning of the General Assembly, for the formulation of policies and guidelines which would be further elaborated in the appropriate forums.

24. Finally, it was imperative that the dialogue should be conducted in an atmosphere of trust, and the interests of the weakest developing countries should be given high priority.

25. Mr. THEOPHYLACTOU (Cyprus) said that the item was of particular importance to his country. Cyprus's commitment to the promotion of peace and economic development through partnership was demonstrated by its support for the Israeli-Palestinian accords, for without peace in the Middle East, regional and international stability would remain an elusive goal.

26. Cyprus was ready and willing to become a bridge of cooperation between Europe and the Middle East and, in the spirit of that conviction, had recently presented to the Palestinian leadership in Gaza a comprehensive aid package.

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which, it hoped, would help create a climate in Iraq and enhance the prospects of reconstruction. That initiative underscored the importance of participation in the Middle East peace negotiations aimed at bringing regional cooperation through structures based on partnership, as mentioned by the Secretary-General in his report. Accordingly, Cyprus also pledged its full support for the forthcoming high-level meetings in the Mediterranean and Middle East region and would do its utmost to ensure effective follow-up to those meetings.

The meeting rose at 11.20 a.m.

UNITED NATIONS

General Assembly

FIFTIETH SESSION

Official Records

SECOND COMMITTEE
18th meeting
held on
Monday, 16 October 1995
at 10 a.m.
New York

SUMMARY RECORD OF THE 18th MEETING

Chairman: Mr. MURPHY (Ireland)
Vice-Chairman

CONTENTS

AGENDA ITEM 86: ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

(a) IMPLEMENTATION OF DECISIONS AND RECOMMENDATIONS OF THE UNITED NATIONS CONFERENCE ON ENVIRONMENT AND DEVELOPMENT

(b) DESERTIFICATION AND DROUGHT

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The meeting was called to order at 10.15 a.m.

AGENDA ITEM 96: ENVIRONMENT AND SUSTAINABLE DEVELOPMENT (A/50/25, A/50/171, A/50/182-E/1995/66 and Corr.1, A/50/254-S/1995/501, A/50/366, A/50/371, A/50/400, A/50/407, A/50/425/S/1995/787, A/50/475, A/50/518, A/C.2/50/2)

(a) IMPLEMENTATION OF DECISIONS AND RECOMMENDATIONS OF THE UNITED NATIONS CONFERENCE ON ENVIRONMENT AND DEVELOPMENT (A/50/3, A/50/74 and Add.1, A/50/218, A/50/453, A/50/515)

(b) DESERTIFICATION AND DROUGHT (A/50/220/E/1995/99, A/50/347, A/50/516)

1. Ms. WALLER-HUNTER (Director, Division for Sustainable Development), introducing the report of the Secretary-General containing the proposals on the format, scope and organizational aspects of the 1997 special session of the General Assembly on the overall review and appraisal of Agenda 21 (A/50/454), said that it defined the overall context in which the session would be prepared and presented proposals concerning the scope of the discussions, as well as organizational matters. In that regard, the outcome of the General Assembly's deliberations on an agenda for development and the decisions taken by the Economic and Social Council at its most recent session on the coordinated follow-up of major conferences were of crucial importance.

2. As for the scope of the discussions, the report mentioned, among other priorities, the need to determine the critical areas of sustainability for the years to come. That would require a comprehensive review of the progress achieved at all levels in the implementation of the Rio commitments, taking into account also the relevant conclusions of subsequent global conferences. Such a review would also identify the major concerns, constraints and gaps. The objective would be to maintain the political momentum and to give a clear sense of direction for future action to be taken by Governments, intergovernmental bodies and major groups with a view to achieving sustainable development.

3. At its special session, the General Assembly might also wish to consider the institutional arrangements to be put in place for follow-up to the Rio process, based on current arrangements. It might also give guidance concerning the priorities to be established by the Commission on Sustainable Development, as well as the timetable for the next review. The Secretary-General's report also contained recommendations concerning the format of documentation for the session. The Second Committee might reflect upon the proposal to prepare a comprehensive report on the overall assessment of the progress achieved since the United Nations Conference on Environment and Development, as well as recommendations for action. Governments might submit country profiles which would enable the progress achieved at national level to be assessed.

4. As far as the organizational aspects of the session were concerned, the report proposed a duration of five working days. The session could be organized as a self-standing event to be held before the fifty-second session of the General Assembly; alternatively, consideration could be given to building the review exercise into the fifty-second session itself. If the first alternative were retained, the Secretary-General proposed that the session should be held in

the second half of June 1997 or immediately after the 1997 session of the Commission on Sustainable Development. The report also emphasized that the General Assembly should fix a high level of representation commensurate with that secured for the Rio Conference, which 118 Heads of State and Government had attended. Major groups had played a very important role at the Conference itself and in the work of the Commission on Sustainable Development. In principle, the rules of procedure of the General Assembly did not allow the active participation of major groups in its deliberations. The report therefore proposed several options that would allow an active dialogue to be established with their representatives in the context of the special session. Lastly, the report outlined various ways of organizing the preparatory process. For example, the Commission on Sustainable Development could, at its fifth session, undertake an in-depth evaluation of the progress achieved and identify major concerns and gaps in the achievement of the objectives set.

5. Mr. DIALLO (Executive Secretary, Intergovernmental Negotiating Committee for the Elaboration of an International Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa) introduced documents A/50/74 and A/50/74/Add.1 containing the reports of the sixth and seventh sessions of the Intergovernmental Committee, held respectively in New York in January 1995 and at Nairobi in August 1995; document A/50/515 containing the report of the Secretary-General on the elaboration of an international convention to combat desertification and supplementing the report on the same subject submitted to the General Assembly at its forty-ninth session; and document A/50/616 on the implementation of General Assembly resolution 49/115 on the observance of a World Day to Combat Desertification and Drought and setting out ways and means by which the Secretariat could assist the countries concerned in observing that event, within the limits of its resources.

6. So far, 115 States or regional integration organizations had signed the United Nations Convention to Combat Desertification, and 10 States had ratified it. The Convention would enter into force on the ninetieth day after the date of deposit of the fiftieth instrument of ratification, acceptance, approval or accession. However, various activities had already been undertaken within the context of the interim period, particularly with regard to national and regional consultation. For instance, with the support of the Secretariat, national days of information and awareness-raising had been organized in 20 countries, aimed as much at decision makers as at the general public. That was only a first step, however. The consultation process would continue at the community level in order to secure a genuine dialogue between all interested partners and, if the Secretariat had sufficient funds for the purpose, the process would be broadened to include the other African countries concerned and countries of Asia and Latin America that had shown great interest in such an operation.

7. At the subregional level, seminars convened under the auspices of African subregional organizations had brought together representatives of the Governments of each subregion, donor countries and competent intergovernmental and non-governmental organizations, with the support of the Secretariat. In addition to those held under the auspices of the Permanent Interstate Committee for Drought Control in the Sahel (CILSS) and the Intergovernmental Authority on Drought and Development (IGADD), other meetings would be organized under the

auspices of the Arab Maghreb Union (AMU) and the Southern African Development Community (SADC). Consultations were also planned for the Gulf States and the States of Latin America and the Caribbean.

8. At its seventh session, the Intergovernmental Committee had begun preparatory work for the 1st meeting of the Conference of the Parties. Two working groups had been set up, the first responsible for the identification of an organization to house the Global Mechanism, the designation of a permanent secretariat, and the programme and budget, and the second responsible for matters relating to the organization of scientific and technological cooperation (in particular the establishment of the Committee on Science and Technology), the rules of procedure of the Conference of the Parties, and procedures for communication of information and review of implementation of the Convention. Implementation measures and conciliation and arbitration procedures would be discussed at the eighth session. Considerable progress had been made on key issues, chiefly by virtue of the spirit of compromise shown by all delegations. With regard to the designation of a permanent secretariat, Germany, Kenya, Spain and Switzerland had offered to host the headquarters. As far as administrative arrangements were concerned, the Secretary-General had been requested to submit a report on possible support from the Organization for the permanent secretariat.

9. The Intergovernmental Committee had also addressed the question of extrabudgetary resources to finance the running of the secretariat. It had expressed concern at the financial situation, especially the level of the Special Voluntary Fund for the participation of developing countries, and had requested the Chairman of the Committee, in consultation with the Executive Secretary, to bring the matter to the attention of Member States. To date, available resources were estimated at almost $230,000, largely made up of contributions from Japan and Ireland; contributions totalling $360,000 had been pledged by Norway, Sweden and Italy.

10. In conclusion, he urged all States that had not yet done so to accede to or ratify the Convention so that it could enter into force by the end of the first half of 1996, prior to the convening of the special session of the General Assembly.

11. Mr. JUMA (Executive Secretary of the Convention on Biological Diversity) said that the 1st meeting of the Conference of the Parties to the Convention, held in Nassau in late 1994, had marked the launching of activities to implement the Convention. The Conference had decided on a number of institutional arrangements, resolved certain financial questions, approved the establishment of a Subsidiary Body on Scientific, Technical and Technological Advice and adopted a medium-term programme of work for the years ahead. It had also recommended that the date of entry into force of the Convention should be proclaimed International Day for Biological Diversity.

12. With regard to financial resources and mechanisms, the Conference had decided that the Global Environment Facility (GEF) should continue to serve as the institutional structure to operate the financial mechanism under the Convention on an interim basis; it had authorized the Secretariat to consult with the restructured Facility on the content of a memorandum of understanding

to be considered at its 2nd meeting to be held in Jakarta in November 1995, and, lastly, it had requested the Secretariat to submit a report on the financial mechanism and a study on the availability of financial resources additional to those provided through the Facility and on ways and means of mobilizing those resources in support of the objectives of the Convention. The Subsidiary Body whose establishment it had approved had already held its first meeting and prepared a draft medium-term programme of work to be submitted to the Conference at its 2nd meeting, when its recommendations would also be considered.

13. The Conference of the Parties had also stressed the need to establish links with other bodies with a view to promoting coherent and urgent attention to biological diversity issues. In particular, it had attached great importance to the development of a substantive relationship with the Commission on Sustainable Development and had drawn the attention of the General Assembly to the complementarity of the Commission's mandate with its own.

14. To date, 131 countries had ratified the Convention. Activities at country level were even more significant in terms of their number and scale: 20 countries had adopted or intended to adopt legislation on access to genetic resources and numerous institutional reforms had been undertaken to improve the coordination of activities relating to biological diversity.

15. The importance of national activities would be one of the key topics for discussion at the 2nd meeting of the Conference of the Parties, which had been preceded by regional meetings on Africa, Latin America and the Caribbean and the countries in transition, and by a global meeting of the Open-ended Ad Hoc Group of Experts on Biosafety.

16. In conclusion, he reiterated the importance of the Convention as an instrument which served as the basis for national activities to promote a sustainable form of development.

17. Mr. OLEMBO (Deputy Executive Director of the United Nations Environment Programme (UNEP)) introduced the report of the UNEP Governing Council (A/50/25) and documents A/50/227 containing the report of the Executive Director of UNEP on the implementation of the Plan of Action to Combat Desertification, A/50/171 on the strengthening of UNEP and A/50/171 containing the report of the Governing Council on Earthwatch, environment monitoring and assessment.

18. When it had adopted Agenda 21, the international community had been aware that achieving the goals of sustainable and environmentally sound development would not be an easy task. Three years after the Rio Conference, the same problems persisted or had even worsened. Realizing the need to move beyond the period of reflection to that of policy-making and integration of the issues raised in the Agenda for Peace and the agenda for development, the Governing Council, at its eighteenth session, had decided to strengthen the role of UNEP as the primary environmental agent in the United Nations system.

19. Among other measures, it had decided that UNEP should give priority to assessing and addressing critical environmental issues and promoting international cooperation. It had also decided to give greater emphasis to the provision of technical assistance to developing countries and countries in

transition (particularly through the formulation of regional strategies), and to support the development of international environmental law. In that respect, it had authorized the Executive Director to convene, together with the United Nations Food and Agriculture Organization (FAO), an intergovernmental negotiating committee with a mandate to develop an international legally binding instrument for the application of the prior informed consent procedure for certain hazardous chemicals in international trade. It had also endorsed the adoption of an integrated approach to programme formulation and implementation that focused on four major themes: sustainable management and use of natural resources; sustainable production and consumption; health and environment; and globalization of the environment. That approach would provide a framework for addressing issues raised at recent United Nations conferences in the social and economic fields.

20. The Governing Council had clarified the relationship between UNEP and the Commission on Sustainable Development, UNDP, other United Nations agencies and bodies, the private sector and non-governmental organizations. The objectives of sustainable development and the protection of the environment were attainable only if they were integrated into social and economic development policies. There was always the danger, however, that competing claims would arise among the various players in the sustainable development arena. The Commission on Sustainable Development acted as the high-level policy forum for discussions that followed up the recommendations of the United Nations Conference on Environment and Development. The role of UNEP was to bring the environmental dimension to the debate through the provision of scientific, technical and policy information and advice, while its work programme provided the right framework for an integrated response to the concerns of the Commission on Sustainable Development. By endorsing the establishment of the Inter-Agency Environment Coordination Group and the preparation of a strategy document in the field of the environment, the Governing Council had underlined the central coordinating role of UNEP in that connection.

21. UNEP had also concluded two partnership agreements with UNDP: one to help combat desertification and the other to increase the flow of information on environment and development in developing countries. A third agreement on capacity-building was under way. Those agreements would encourage complementarity between UNEP and UNDP, the latter being the coordinator of technical cooperation at the country level, while UNEP was the primary source for environmental expert advice.

22. UNEP and UNDP were also working together to combat desertification by combining their comparative advantages. UNEP, which had played a notable role in the negotiation process for the United Nations Convention to Combat Desertification, aimed to place greater emphasis on the social dimension of the issue. It hoped that the Conference of the Parties would choose Nairobi to host the secretariat of the Convention.

23. UNEP had wide experience in hosting conferences and the secretariats of various conventions and made its conference services and facilities available for their use. It was host to the Earthwatch secretariat and was also the co-sponsor of numerous global activities. In addition, it was making continuous

efforts to make its meetings schedule more efficient by programming meetings back to back.

24. The Governing Council had endorsed the proposals of the Executive Director for more transparent and efficient management and administrative support structures. It had asked the Executive Director to propose different options on the governance of UNEP for consideration at its nineteenth session.

25. The integrated UNEP work programme for the biennium 1996-1997, which reflected a consensus, was the product of extensive consultations with Governments and external partners. It emphasized the interrelationships between social and economic driving forces, the environment and the quality of life. For each subprogramme, detailed plans had been developed that encompassed strategic partnerships with Governments, consumers' unions, regional development banks, regional commissions and non-governmental organizations. Special attention would be given to the problems faced by developing countries, particularly small island States and selected megacities. Emphasis would also be placed on assessing the driving forces that contributed to unsustainable production and consumption patterns, in which connection UNEP should promote consumer awareness. The work programme was geared towards enabling UNEP to make the best use of its comparative advantages: global and regional assessment and reporting, data and information management and the servicing of regional environment and natural resources information networks.

26. The unanswered question that remained, however, was whether the financial situation would allow for the implementation of that programme. The budgetary envelope for the biennium 1996-1997 was only US$ 90-105 million, which was US$ 30 million less than the previous one. That downward trend recorded over the last three budgets and the absence of links between financial commitments and programming had aroused concerns and led to questioning as to whether environmental concerns had been recognized as having equal importance with social and economic concerns. The Governing Council had again called on all Governments to contribute voluntarily to the Environment Fund in time to permit implementation of the planned activities. One principle was paramount: no decision on global activities should be taken unless accompanied by an absolute guarantee of financing. Despite its meagre resources, UNEP none the less pledged to do its utmost to help in solving the problems that constantly emerged in the field of the environment.

27. Mr. NYAMBI (Director, Office to Combat Desertification and Drought), introducing the Secretary-General's report entitled "Environment and sustainable development: desertification and drought" (A/50/347), stressed that the United Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa, had adequately captured the concerns contained in Agenda 21, chapter 12, and provided a legal framework that would reverse land degradation in such countries.

28. The adoption, signature and ratification of the Convention were the culmination of several years of effort. It was now essential, however, to mobilize the international community with a view to ensuring its effective implementation. Given the size of the problem, the resources contributed and the activities initiated were far below the scale necessary. The cost of

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inaction would impose even greater burdens, since the international community would have to cope with the consequences, such as civil strife, mass migration, hunger, food insecurity and loss of biodiversity. It was therefore urgent that the efforts of developing countries affected by desertification and drought should be supported.

29. Successful implementation of the Convention would require diligence in operationalizing the innovative funding strategies and mechanisms, particularly the global mechanism, which was currently being refined. The development of mechanisms for channelling resources to the most afflicted populations was of crucial importance, in which connection the national desertification funds could play an effective role.

30. Effective partnerships should also be built: the United Nations Sudano-Sahelian Office (UNSO) had sought to establish new forms of collaboration with FAO, the International Fund for Agricultural Development (IFAD), the World Meteorological Organization (WMO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Bank and other multilateral organizations. It had also continued its collaboration with previous partners. Moreover, together with the Organisation for Economic Cooperation and Development (OECD)/Club du Sahel, it had recently organized a meeting for the exchange of information on implementation of the resolution on urgent action for Africa.

31. Since the previous session of the Second Committee, and in application of Economic and Social Council resolution 95/24, UNSO had been reorganized and was currently, within UNDP, the body responsible for all questions associated with desertification and drought. It was now called the Office to Combat Desertification and Drought.

32. Since the adoption of the Convention, the Office had allocated several million dollars to the support of national action programmes, subregional and regional activities and capacity strengthening; those funds included resources from the indicative planning figures (IPF), the UNSO Trust Fund, other UNDP funds, and the contributions of bilateral donors.

33. For seven years, the international community had been concerned by the problem of desertification and drought. For seven years, 900 million people affected by or vulnerable to that scourge had been waiting for support and field-level action. Since the Convention would not yield concrete results in the affected areas until it entered into force in 1997, it was essential to take immediate steps to increase action at the local level.

34. Mr. ALVAREZ (Philippines), speaking on behalf of the Group of 77 and China, said that the United Nations Conference on Environment and Development (UNCED) occupied a unique place in the field of international cooperation. In Rio, a global partnership had been formed for the achievement of sustainable development and higher quality of life for all people, and all the participants had declared their full support for the achievement of the goals of Agenda 21. The developing countries had accepted the awesome responsibilities that Agenda 21 imposed on them because their partners in the developed world had assured them of their full support and coordination. It was, therefore, in that

context that the Group of 77 and China attached the utmost importance to the follow-up activities to UNCED. It was true that a certain number of results had already been achieved, they included the entry into force of the Convention on Biological Diversity and the United Nations Framework Convention on Climate Change, the adoption of the United Nations Convention to Combat Desertification, the Barbados Declaration and the Programme of Action for the Sustainable Development of Small Island Developing States, the adoption by the Conference on Straddling Fish Stocks and Highly Migratory Fish Stocks of an agreement for the implementation of the provisions of the United Nations Convention on the Law of the Sea, and the replenishment of the resources, and restructuring, of the Global Environment Facility (GEF). Certainly, those were important achievements, but they were primarily related to the procedural aspects of the implementation of Agenda 21. In Rio, the developing countries had committed themselves to protecting the environment with the assurance that the developed countries would provide them with assistance, but the enthusiasm that had characterized the preparatory process had diminished. The planned activities had been stalled by the lack of resources and the excessive cost of technologies, and the commitments made with regard to the transfer of environmentally sound technologies on concessional terms had not always materialized. It was essential that developing countries should be helped to participate in the fight against environmental deterioration.

35. UNCED had adopted an integrated approach to development and the environment. For the developing countries, economic and social development and the eradication of poverty were the overriding priorities. Those goals could be achieved by means which included the provision of new financial resources, an increase in official development assistance (ODA), improved market access for the export products of developing countries, and a solution to the debt problem. He noted, however, that there was a continuing decline in ODA, which called in question the achievement of the goals of Agenda 21. It was, moreover, regrettable that while the Rio commitments concerning financial resources, trade and the transfer of environmentally sound technologies had not materialized, the developing countries were being subjected to restrictive trade and investment policies.

36. More attention must be devoted to the discussions of the Commission on Sustainable Development, whose responsibility it was to ensure follow-up on the recommendations of UNCED and to offer guidance in the formulation of national, subregional and regional policies on sustainable development.

37. The special session of the General Assembly to be held in 1997 would be an opportunity to examine and assess the results of Agenda 21 and to identify successes and failures. The fifth session of the Commission on Sustainable Development should therefore be devoted to preparations for the special session, and paragraphs 22, 23 and 24 of document A/50/453 mentioned a number of documents which might be prepared for that session.

38. UNEP had a central role to play in the field of the environment within the United Nations system. Closer coordination with the Commission on Sustainable Development should increase the efficiency of the work of both bodies. The decisions of the Governing Council of UNEP should also contribute to a more coordinated implementation of Agenda 21. However, the continuing decline in

contributions to the Programme, despite the increased responsibilities imposed on it by Agenda 21, was a matter for concern.

39. In order for the developing countries to implement the decisions under the Convention on Biological Diversity, they must be given access to biotechnologies; the developed countries must also adopt a more constructive approach to their developing country partners with a view to the equitable sharing of benefits from the use of biological resources.

40. The Group of 77 and China called for the signature and ratification of the United Nations Convention to Combat Desertification and requested the international community to provide the necessary resources and support for its implementation.

41. Mr. AGUIRRE de CÁRCER (Spain), speaking on behalf of the European Union, said that important progress had been made during the past year in the areas of the environment and sustainable development. The European Union welcomed that progress and would continue to promote international cooperation in that field.

42. The review and evaluation of Agenda 21 in 1997 would be an opportunity to renew the commitments made in Rio and to give a new impetus to sustainable development. The special session planned for that purpose should produce a negotiated political declaration which would set out future actions and priorities with a view to the promotion of sustainable development. A number of institutional issues relating to the programme of work of the Commission on Sustainable Development would have to be examined at that session, but it was important not to give disproportionate attention to such matters; the Economic and Social Council might also examine them.

43. The report of the Secretary-General on that question had defined the basic modalities for the organization of the session, and the more substantive issues should be examined at a later stage. In that regard, it was important to take advantage of the preparatory work of the Commission on Sustainable Development at its 1996 sessions. It would be desirable to set a high level of political participation and to organize the special session as a separate event; the participation of non-governmental organizations and other major groups would also contribute to its success.

44. The success of the eighteenth session of the Governing Council of UNEP reflected a broad consensus for strengthening its role within the United Nations system in the field of the environment. The identification of priorities for its programme of work and the review of its governing structures should enable it to improve the effectiveness of its activities. The European Union was also pleased that the Council had reaffirmed the importance that it attached to providing support to the Commission on Sustainable Development.

45. The European Union welcomed the outcome of the third session of the Commission on Sustainable Development, particularly the establishment of an Intergovernmental Panel on Forests, which had laid out a programme of work to be implemented by 1997. It would be useful for Governments and international and non-governmental organizations to organize activities in relation to the work of the Panel.

46. The European Union reaffirmed its commitment to contribute actively to the preparations for the 1996 session of the Commission on Sustainable Development, when questions relating to the atmosphere and oceans would be discussed. In that context, it hoped that the seventh Conference of Parties of the Montreal Protocol on Substances that Deplete the Ozone Layer, to be held in Vienna in late 1995, would lead to decisions that would prevent stratospheric ozone depletion. It also hoped that the Global Programme of Action for the Protection of the Marine Environment from Land-based Sources, which was to be adopted at the intergovernmental conference currently under way in Washington, would receive broad support and would be implemented as soon as possible.

47. The signing of the Convention to Combat Desertification by over 100 countries bore witness to the importance which the international community attached to that issue. The European Union supported its early entry into force; its member States were in the process of conducting their internal procedures for its ratification.

48. The consideration, during the meetings of the Intergovernmental Negotiating Committee for the Elaboration of an International Convention to Combat Desertification, of reports on measures taken or planned for Africa was evidence of the firm commitment of Governments and organizations to support the countries affected. Measures for Latin America and the Caribbean, Asia and the northern Mediterranean were also encouraging.

49. The European Union reaffirmed its strong commitment to the full implementation of the Convention on Biological Diversity and would make every effort to ensure a successful outcome of the second Conference of Parties, which was to take place in Indonesia. It would also take part in the discussions on the safe transfer, handling and use of any living modified organism resulting from biotechnology.

50. Mr. SAMARASINGHE (Sri Lanka) said that his country was firmly committed to achieving sustainable development within the context of measures to alleviate poverty by adopting a strategy to ensure economic growth and enhance social justice, as well as to protect the environment. Sri Lanka firmly associated itself with action taken by the international community in that direction and especially with the efforts to implement Agenda 21.

51. In order to protect the environment and implement Agenda 21, his Government had established several institutional mechanisms for the implementation of programmes envisaged by the Rio Conference. The Ministry of the Environment, established in 1990, had been strengthened and currently functioned as a policy-making body. It had established a number of cells to monitor different programmes, including a unit on Agenda 21.

52. Despite the consensus achieved in Rio on the need for global action, many obstacles still remained. Progress had been held back, in the developed countries, by a lack of political will and, in the developing countries, by a lack of resources, compounded by the inability of those countries to procure the external resources needed to acquire appropriate technology.

to simplify the requirements in that area as far as possible and to produce user-friendly documents.

64. The United Nations system must continue its support for sustainable development, in particular, for projects in small island developing States, and the international community must reaffirm its commitment to the principles it had made a commitment to implement at Rio.

65. Mr. ZIMIANIN (Russian Federation) said that his delegation had studied with interest the report of the Secretary-General on the organization of the 1997 special session (A/50/495) and subscribed to the overall evaluation of the activities undertaken by the Commission on Sustainable Development pursuant to the decisions taken at the Rio Conference, and, in particular, the conclusion that, from the political standpoint, the Commission had succeeded in maintaining a high level of participation by securing the participation of ministers and senior officials in its work, as well as representatives of major groups involved in the promotion of sustainable development.

66. He expressed satisfaction that the Commission had considered issues relating to sustainable consumption and production patterns and the development of indicators on sustainable development, as well as the complex problems linked to funding and the transfer of environmental technologies. It was clear that those questions should be taken into account during the work of the special session. There should also be a rational division of responsibilities among the main United Nations bodies, and cooperation between them should be enhanced in the context of the follow-up to the Rio Conference. He welcomed the emerging agreement regarding the respective functions of the Commission and UNEP, as well as the outcome of the consideration by its Governing Council at its eighteenth session of the future programme of action of UNEP. It was to be hoped that the comparative advantages of the Commission and the Programme and the experience they had acquired would enable them to strengthen their cooperation.

67. With regard to the decisions adopted by the Governing Council of UNEP at its eighteenth session, he said he welcomed, in particular, the decision to consider the issue of strengthening environmental monitoring. The recommendations on that subject, especially those aimed at strengthening the role of the United Nations within Earthwatch, should be approved and implemented. The issue of environmental monitoring should be considered in greater depth by other organs and in the context of the consideration of activities carried out by the United Nations system in the field of sustainable development.

68. The Commission on Sustainable Development must be closely involved in the preparations for the special session of the General Assembly, particularly in view of the fact that, in 1997, it was to carry out an overall review of progress made in that area. As far as the organizational aspects of the session were concerned, his delegation could subscribe to the idea of holding the special session separately from the fifty-second session. The date proposed in the report - June 1997 - would be acceptable. Given the prominent role which the Commission on Sustainable Development would play in the preparations for the session, it would be useful to set up a separate preparatory committee with the sole task of drafting the final document. It would also be necessary to carry

but a thorough review, at the regional level, of the topics to be discussed at the special session. Finally, as the Secretary-General recommended in his report, representatives of major groups - non-governmental organizations, scientists and the private sector - should be involved as closely as possible in the work of the special session.

69. Mr. LOZANO (Mexico) said that, in the three years since the Rio Conference, significant progress had been made in implementing the agreements which had been reached. The past year had been especially important with regard to the drafting of instruments on the environment and the strengthening of international legal standards in that area. Mexico was convinced, however, that environmental issues should be considered in the wider context of sustainable development, which encompassed economic growth, social development and international peace and security. In that area much remained to be done. Indeed, some of the fundamental principles of the Rio Conference were still not fully applied. The focus had been on environmental protection at the expense of the social and economic aspects.

70. It was a cause of particular concern that, in some cases, the principle of common but differentiated responsibility was not being applied and that certain countries were not respecting their commitments. Mexico was also concerned at the tendency to create new categories of States in order to impose obligations on them which bore no relation to the multilateral agreements which had been concluded. Furthermore, the lack of clear rules determining the responsibility of States with regard to environmental issues was a source of conflict. National regulations were often aimed at protecting the economic interests of the country, rather than the environment, and, in most cases, they had an impact beyond national boundaries. Finally, the trend towards negative interpretations of the precautionary principle was also of some concern.

71. Despite its economic difficulties, Mexico, for its part, had always striven to reconcile economic growth and environmental protection by basing itself on the principle that the rational use of natural resources was one of the essential conditions in the struggle against poverty, and that the protection of the environment and of natural resources must involve changes in the patterns of consumption and the rigorous application of regulations.

The meeting rose at 12.25 p.m.